



**BNP PARIBAS**

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

*(incorporated in The Netherlands)*

*(as Issuer)*

**BNP Paribas**

*(incorporated in France)*

*(as Guarantor)*

**BNP Paribas Fortis Funding**

*(incorporated in Luxembourg)*

*(as Issuer)*

**BNP Paribas Fortis SA/NV**

*(incorporated in Belgium)*

*(as Guarantor)*

**Base Prospectus for the issue of unsubordinated Notes**

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

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

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

The Issuers may issue Securities for which no prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**") under this Base Prospectus. See "*Exempt Securities*" in the "*General*

*Description of the Programme and Payout Methodology*" section below. The AMF has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Securities.

Under the Programme each of BNPP B.V. and BP2F (the "**Issuers**" and each an "**Issuer**") may from time to time issue, *inter alia*, notes ("**Notes**" or "**Securities**") of any kind including, but not limited to, Securities relating to a specified index or a basket of indices, a specified share, global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**") or a basket of shares, ADRs and/or GDRs, a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "**exchange traded instrument**") or a basket of interests in exchange traded instruments, a specified debt instrument or a basket of debt instruments, a specified debt futures or debt options contract or a basket of debt futures or debt options contracts, a specified currency or a basket of currencies, a specified commodity or commodity index, or a basket of commodities and/or commodity indices, a specified inflation index or a basket of inflation indices, a specified fund share or unit or basket of fund shares or units, a specified futures contract or basket of futures contracts, a specified underlying interest rate or basket of underlying interest rates, or the credit of a specified entity or entities and any other types of Securities including hybrid Securities whereby the underlying asset(s) may be any combination of such indices, shares, interests in exchange traded instruments, debt, currency, commodities, inflation indices, fund shares or units, future contracts, credit of specified entities, underlying interest rates, or other asset classes or types. Each issue of Securities will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Note Conditions**" or the "**Conditions**"). Notice of, *inter alia*, the specific designation of the Securities, the aggregate nominal amount or number and type of the Securities, the date of issue of the Securities, the issue price (if applicable), the underlying asset, index, fund, reference entity or other item(s) to which the Securities relate, the maturity date, whether they are interest bearing, partly paid, redeemable in instalments, the governing law of the Securities and certain other terms relating to the offering and sale of the Securities will be set out in a final terms document (the "**Final Terms**"). Copies of Final Terms in relation to Securities to be listed on Euronext Paris will also be published on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)). If Securities issued by BP2F are admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination will be euro 1,000 (or, if denominated in a currency other than euro, the equivalent amount in such currency).

Securities will be governed by English law.

In certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date, certain specific information (specifically, the issue price, the fixed rate of interest, minimum and/or maximum rate of interest payable, the margin applied to the floating rate of interest payable, the gearing applied to the interest or final payout, the Gearing Up applied to the final payout, (in the case of Autocall Securities, Autocall One Touch Securities or Autocall Standard Securities) the FR Rate component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions), the AER Exit Rate used if an Automatic Early Redemption Event occurs, the Bonus Coupon component of the final payout (in the case of Vanilla Digital Securities), the Up Cap Percentage component of the final payout (in the case of Certi-Plus: Generic Securities, Certi-Plus: Generic Knock-in Securities and Certi-Plus: Generic Knock-out Securities), any constant percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2, Constant Percentage 3 or Constant Percentage 4) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known. In these circumstances, the Final Terms will specify an indicative range in respect of the relevant issue price, rates, levels or percentages and the actual rate, level or percentage, as applicable, will be notified to investors prior to the Issue Date. Accordingly, in these circumstances investors will be required to make their decision to invest in the relevant Securities based on the indicative range specified in the Final Terms. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms.

Securities issued by BNPP B.V. may be secured ("**Secured Securities**") or unsecured and will be guaranteed by BNPP (in such capacity, the "**BNPP Guarantor**") pursuant to either (a) in respect of the Secured Securities, a Deed of Guarantee for Secured Securities, (the "**Secured Securities BNPP Note Guarantee**"), the form of which is set out herein or (b) in respect of the unsecured Securities, (i) a Deed of Guarantee for

Unsecured Securities (the "**BNPP Note Guarantee**", together with the Secured Securities BNPP Note Guarantee, the "**BNPP Note Guarantees**"), the form of which is set out herein.

Securities issued by BP2F may be unsecured only and will be guaranteed by BNP Paribas Fortis SA/NV ("**BNPPF**" and, in such capacity, the "**BNPPF Guarantor**") pursuant to a Deed of Guarantee (the "**BNPPF Guarantee**"), the form of which is set out herein.

The BNPP Guarantor and the BNPPF Guarantor, are together the "**Guarantors**" and each a "**Guarantor**".

Each of BNPP B.V., BNPP and BP2F has a right of substitution as set out herein. In the event that BNPP B.V., BNPP or BP2F exercises its right of substitution, a supplement to the Base Prospectus will be published on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and on the website of BNPP (<https://rates-globalmarkets.bnpparibas.com/gm/public/LegalDocs.aspx>).

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

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

**Prospective purchasers of Securities should ensure that they understand the nature of the relevant Securities and the extent of their exposure to risks and that they consider the suitability of the relevant Securities as an investment in the light of their own circumstances and financial condition. Securities involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of their Securities. See "Risk Factors" on pages 268 to 354.**

**In particular, the Securities and the Guarantees and, in the case of Physical Delivery Securities (as defined below), the Entitlement (as defined herein) to be delivered upon the redemption of such Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"). None of the Issuers has registered as an investment company pursuant to the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). The Securities are being offered and sold in reliance on Regulation S under the Securities Act ("Regulation S") may not be offered, sold, pledged, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, persons that are "U.S. persons" as defined in Regulation S**

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

The Issuers have requested the AMF to provide the competent authorities in Portugal with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

BNPP's long-term credit ratings are A with a stable outlook (Standard & Poor's Credit Market Services France SAS ("**Standard & Poor's**")), A1 with a stable outlook (Moody's Investors Service Ltd. ("**Moody's**")), A+ with a stable outlook (Fitch France S.A.S. ("**Fitch France**")) and AA (low) with a stable outlook (DBRS Limited ("**DBRS**")) and BNPP's short-term credit ratings are A-1 (Standard & Poor's), P-1 (Moody's), F1 (Fitch France) and R-1 (middle) (DBRS). BNPP B.V.'s long-term credit ratings are A with a stable outlook (Standard & Poor's) and BNPP B.V.'s short term credit ratings are A-1 (Standard & Poor's). BP2F's senior unsecured credit ratings with a stable outlook (Standard & Poor's), A2 with a stable outlook (Moody's France SAS ("**Moody's France**")) and A+ with a stable outlook (Fitch Ratings Limited ("**Fitch**")) and BP2F's short-term credit ratings are A-1 (Standard & Poor's), P-1 (Moody's France) and F1 (Fitch). BNPPF's long-term credit ratings are A with a stable outlook (Standard & Poor's), A2 with a stable outlook (Moody's France) and A+ with a stable outlook (Fitch) and BNPPF's short-term credit ratings are A-1 (Standard & Poor's), P-1 (Moody's France) and F1 (Fitch). Each of Standard & Poor's, Moody's, Fitch France, Moody's France, Fitch and DBRS is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Standard & Poor's, Moody's, Fitch France, Moody's France, Fitch and DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Securities issued under the Programme may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at

any time by the assigning rating agency. Please also refer to "Credit Ratings may not Reflect all Risks" in the Risk Factors section of this Base Prospectus.

### **IMPORTANT NOTICES**

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

#### **Disclaimer statement for structured products (Securities)**

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

This offer does not constitute an offer of Securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the Central Bank of Bahrain (CBB). Accordingly, no Securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to accredited investors for an offer outside Bahrain.

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

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

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## PROGRAMME SUMMARY IN RELATION TO THIS BASE PROSPECTUS

*Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for this type of Securities, Issuers and Guarantors. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of Securities, Issuer and Guarantor(s), it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.*

### Section A - Introduction and warnings

Element	Title	
A.1	Warning that the summary should be read as an introduction and provision as to claims	<ul style="list-style-type: none"> <li>• <b>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. In this summary, unless otherwise specified and except as used in the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BP2F dated 9 June 2016 as supplemented from time to time under the Note, Warrant and Certificate Programme of BNPP B.V., BNPP and BP2F. In the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BP2F dated 9 June 2016.</b></li> <li>• <b>Any decision to invest in any Securities should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></li> <li>• <b>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></li> <li>• <b>No civil liability will attach to the Issuer or the Guarantor (if any) in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in the Securities.</b></li> </ul>

Element	Title	
A.2	Consent as to use the Base Prospectus, period of validity and other conditions attached	<p>Certain issues of Securities with a denomination of less than EUR100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "<b>Non-exempt Offer</b>". Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Non-exempt Offer of Securities by the Managers, any financial intermediary named as an Authorised Offeror in the applicable Final Terms and any financial intermediary whose name is published on BNPP's website (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) (in the case of Securities issued by BNPP B.V.) or BP2F's website (<a href="http://www.bp2f.lu">www.bp2f.lu</a>) and BNPPF's website (<a href="http://www.bnpparibasfortis.be/emissions">www.bnpparibasfortis.be/emissions</a>) (in the case of Securities issued by BP2F) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer and (if "General Consent" is specified in the applicable Final Terms) any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being duly completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "Securities") described in the Final Terms dated [insert date] (the "Final Terms) published by [ ] (the "Issuer)". In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in the Non-exempt Offer Jurisdictions specified in the applicable Final Terms during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."</i></p> <p><i>Offer period:</i> The Issuer's consent is given for Non-exempt Offers of Securities during the Offer Period specified in the applicable Final Terms.</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent (in addition to the conditions referred to above) are that such consent (a) is only valid during the Offer Period specified in the applicable Final Terms; and (b) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in the Non-exempt Offer Jurisdictions specified in the applicable Final Terms.</p> <p><b>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH</b></p>

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

### Section B - Issuers and Guarantors

Element	Title	
<b>B.1</b>	Legal and commercial name of the Issuer	Securities may be issued under this Base Prospectus under the Note, Warrant and Certificate Programme by BNP Paribas Arbitrage Issuance B.V. (" <b>BNPP B.V.</b> ") or BNP Paribas Fortis Funding (" <b>BP2F</b> " and, together with BNPP B.V. each an " <b>Issuer</b> ").
<b>B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<ul style="list-style-type: none"> <li>• BNPP B.V. was incorporated in the Netherlands as a private company with limited liability under Dutch law having its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands; and</li> <li>• BP2F was incorporated as a <i>société anonyme</i> under the laws of the Grand Duchy of Luxembourg having its registered office at 19, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.</li> </ul>
<b>B.4b</b>	Trend information	<p><i>In respect of BP2F:</i></p> <p><b>Macroeconomic environment</b></p> <p>Market and Macroeconomic conditions affect BP2F's results. The nature of BP2F's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>1</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries.</p> <p>BP2F is dependent upon BNPPF. BP2F is 99.995% owned by BNPPF and is specifically involved in the issuance of securities such as Notes, Warrants or Certificates or other obligations which are developed, set up and sold to</p>

Element	Title		
		<p>investors via intermediaries, including BNPPF. BP2F enters into hedging transactions with BNPPF and with other entities of the BNP Paribas Group. As a consequence, the Trend Information with respect to BNPPF shall also apply to BP2F. BP2F may also enter into hedging transactions with third parties not belonging to the BNP Paribas Group.</p> <p><i>In respect of BNPP B.V.:</i></p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, setup and sold to investors by other companies in the BNPP Group (including BNPP). The securities are hedged by acquiring hedging instruments from BNP Paribas and BNP Paribas entities as described in Element D.2 below. As a consequence, the Trend Information described with respect to BNPP shall also apply to BNPP B.V.</p>	
<b>B.5</b>	Description of the Group	<p>BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 75 countries and has more than 189,000 employees, including close to 147,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "<b>BNPP Group</b>").</p> <ul style="list-style-type: none"> <li>• BNPP B.V. is a wholly owned subsidiary of BNPP.</li> <li>• BP2F is a subsidiary of BNP Paribas Fortis SA/NV ("<b>BNPPF</b>") and acts as a financing vehicle for BNPPF and the companies controlled by BNPPF.</li> </ul>	
<b>B.9</b>	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Issuer in the Base Prospectus to which this Summary relates.	
<b>B.10</b>	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.	
<b>B.12</b>	Selected historical key financial information:		
	<b>In relation to BNPP B.V.:</b>		
	<b>Comparative Annual Financial Data - In EUR</b>		
		<b>31/12/2015 (audited)</b>	<b>31/12/2014 (audited)</b>
	Revenues	315,558	432,263
	Net income, Group share	19,786	29,043
	Total balance sheet	43,042,575,328	64,804,833,465
	Shareholders' equity (Group share)	464,992	445,206
	<b>In relation to BP2F:</b>		

Element	Title		
	<b>Comparative Annual Financial Data:</b>		
		<b>31/12/2015 (audited)</b>	<b>31/12/2014 (audited)</b>
		EUR	EUR
	<b>Selected items of the Balance Sheet</b>		
	Assets		
	Financial fixed assets (amounts owed by affiliated undertakings)	5,330,470,858	5,470,070,451
	Current assets (Debtors - Amounts owed by affiliated undertakings becoming due and payable within one year)	220,350,482	415,475,284
	Total assets	5,635,897,265	5,977,141,866
	Liabilities		
	Capital and reserves	5,588,465	6,691,167
	Subordinated debts	960,621,698	1,233,153,404
	Non-subordinated debts		
	Non-convertible loans		
	- becoming due and payable within one year	1,134,209,104	358,648,783
	- becoming due and payable after more than one year	3,121,497,621	3,808,557,061
	<b>Charges &amp; Income: selected items</b>		
	Income from financial fixed assets derived from affiliated undertakings	114,658,978	128,272,799
	Total income	454,645,617	431,761,255
	Interest and other financial charges	420,146,066	401,166,435
	Profit for the financial year	677,298	844,457

Element	Title	
	<p><b>Statements of no significant or material adverse change</b></p> <p>There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).</p> <p>There has been no significant change in the financial or trading position of BNPP B.V. or BP2F since 31 December 2015 and there has been no material adverse change in the prospects of BNPP B.V. or BP2F since 31 December 2015.</p>	
<b>B.13</b>	Events impacting the Issuer's solvency	Not applicable, as at the date of this Base Prospectus and to the best of the Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 31 December 2015.
<b>B.14</b>	Dependence upon other group entities	<p>Each of BNPP B.V. and BP2F is dependent upon the other members of the BNPP Group.</p> <p>In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (<b>BP<sup>2</sup>I</b>) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNPP and several BNPP subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013.</p> <p>BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to monitor the entity and bring it back into the Group if necessary.</p> <p>ISFS, a fully-owned IBM subsidiary, handles IT Infrastructure Management for BNP Paribas Luxembourg.</p> <p>BancWest's data processing operations are outsourced to Fidelity Information Services. Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary.</p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, setup and sold to investors by other companies in the BNPP Group (including BNPP). The securities are hedged by acquiring hedging instruments from BNP Paribas and BNP Paribas entities as described in Element D.2 below.</p>

Element	Title	
<b>B.15</b>	Principal activities	<p>BGL has certain IT dependency upon other entities within the BNPP Group which may be summarised as follows:</p> <ul style="list-style-type: none"> <li>• BGL's corporate and institutional banking (CIB) business shares most of its front and back-office IT platforms with BNPP; and</li> <li>• Other business lines and functions share various platforms with other entities within the BNPP Group, but not necessarily to the same extent as the CIB business.</li> </ul> <p>See also Element B.5 above.</p> <ul style="list-style-type: none"> <li>• The principal activity of BNPP B.V. is to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the BNPP Group.</li> <li>• BP2F's main object is to grant loans to BNPPF and its affiliates. In order to implement its main object, BP2F may issue bonds or similar securities, raise loans, with or without a guarantee and in general have recourse to any sources of finance. BP2F can carry out any operation it perceives as being necessary to the accomplishment and development of its business, whilst staying within the limits of the Luxembourg law of 10 August 1915 on commercial companies (as amended).</li> </ul>
<b>B.16</b>	Controlling shareholders	<ul style="list-style-type: none"> <li>• BNP Paribas holds 100 per cent. of the share capital of the BNPP B.V.</li> <li>• BNPPF holds 99.995 per cent. of the share capital of BP2F.</li> </ul>
<b>B.17</b>	Solicited credit ratings	<p>BNPP B.V.'s long term credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS) and BNPP B.V.'s short term credit ratings are A-1 (Standard &amp; Poor's Credit Market Services France SAS).</p> <p>BP2F's senior unsecured credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS), A2 with a stable outlook (Moody's France SAS) and A+ with a stable outlook (Fitch Ratings Limited) and BP2F's short-term credit ratings are A-1 (Standard &amp; Poor's), P-1 (Moody's France SAS) and F1 (Fitch Ratings Limited).</p> <p>Securities issued under the Programme may be rated or unrated.</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
<b>B.18</b>	Description of the Guarantee	<p>Unsecured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to an English law deed of guarantee for unsecured Securities executed by BNPP on or around 10 June 2016. The</p>

Element	Title	
		<p>obligations under the guarantee are direct unconditional, unsecured and unsubordinated obligations of BNPP and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of BNPP (save for statutorily preferred exceptions). In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the guarantee itself is not the subject of such bail-in).</p> <p>Securities issued by BP2F will be unconditionally and irrevocably guaranteed by BNPPF pursuant to an English law deed of guarantee executed by BNPPF on or around 10 June 2016. The obligations under the guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of BNPPF and rank <i>pari passu</i> (subject to mandatorily preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of BNPPF.</p> <p>Secured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to an English law deed of guarantee for Secured Securities executed by BNPP on or around 10 June 2016. The obligations under the guarantee are direct unconditional, unsecured and unsubordinated obligations of BNPP and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of BNPP (save for statutorily preferred exceptions). In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the guarantee itself is not the subject of such bail-in).</p>
<b>B.19</b>	Information about the Guarantors	
<b>B.19/B.1</b>	Legal and commercial name of the Guarantor	BNP Paribas (" <b>BNPP</b> " or the " <b>Bank</b> "), in the case of Securities issued by B.V. BNP Paribas Fortis SA/NV, acting under the commercial name of BNP Paribas Fortis (" <b>BNPPF</b> "), in the case of Securities issued by BP2F.
<b>B.19/B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<ul style="list-style-type: none"> <li>• BNPP was incorporated in France as a <i>société anonyme</i> under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France; and</li> <li>• BNPPF was incorporated as a public company with limited liability ("<i>société anonyme/naamloze vennootschap</i>") under the laws of Belgium with its registered office at Montagne du Parc 3, 1000 Brussels, Belgium and is a credit institution governed by the Belgian Law of 25 April 2014 on the status and supervision of credit</li> </ul>

Element	Title	
		institutions (the " <b>Belgian Banking Law</b> ").
<b>B.19/B.4b</b>	Trend information	<p><i>In respect of BNPP:</i></p> <p><i>Macroeconomic environment.</i></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>2</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries. In that context, two risks can be identified:</p> <p><i>Financial instability due to the vulnerability of emerging countries</i></p> <p>While the exposure of the BNP Paribas Group in emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group and potentially alter its results.</p> <p>In numerous emerging economies, an increase in foreign currency commitments was observed in 2015, while the levels of indebtedness (both in foreign and local currencies) are already high. Moreover, the prospects of a progressive hike in key rates in the United States (first rate increase decided by the Federal Reserve in December 2015), as well as tightened financial volatility linked to the concerns regarding growth in emerging countries, have contributed to the stiffening of external financial conditions, capital outflows, further currency depreciations in numerous emerging countries and an increase in risks for banks. This could lead to the downgrading of sovereign ratings.</p> <p>Given the possible standardisation of risk premiums, there is a risk of global market disruptions (rise in risk premiums, erosion of confidence, decline in growth, postponement or slowdown in the harmonisation of monetary policies, drop in market liquidity, problem with the valuation of assets, shrinking of the credit offering, and chaotic de-leveraging) that would affect all banking institutions.</p> <p><i>Systemic risks related to economic conditions and market liquidity</i></p>

<sup>2</sup>

See: IMF – October 2015 Financial Stability Report, Advanced Countries and January 2016 update

Element	Title	
		<p>The continuation of a situation with exceptionally low interest rates could promote excessive risk-taking by certain financial players: increase in the maturity of loans and assets held, less stringent loan granting policies, increase in leverage financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment of relatively weak market liquidity.</p> <p>Such liquidity pressure could be exacerbated by the recent increase in the volume of assets under management placed with structures investing in illiquid assets.</p> <p><b><i>Laws and regulations applicable to financial institutions</i></b></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on BNPP notably include:</p> <ul style="list-style-type: none"> <li>- the structural reforms comprising the French banking law of 26 July 2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks, and expected potential changes in Europe;</li> <li>- regulations governing capital: CRD IV/CRR, the international standard for total loss-absorbing capacity ("TLAC") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the European Single Supervisory Mechanism and the ordinance of 6 November 2014;</li> <li>- the Directive of 16 April 2014 related to deposit guarantee systems and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework, the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>- the Final Rule by the US Federal Reserve imposing tighter prudential rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the US (capitalised and subject to regulation) to house their US subsidiaries;</li> </ul>

Element	Title	
		<ul style="list-style-type: none"> <li>- the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</li> <li>- the new MiFID and MiFIR, and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies.</li> </ul> <p><i>Cyber risk</i></p> <p>In recent years, financial institutions have been impacted by a number of cyber incidents, notably involving large-scale alterations of data which compromise the quality of financial information. This risk remains today and BNPP, like other banks, has taken measures to implement systems to deal with cyber attacks that could destroy or damage data and critical systems and hamper the smooth running of its operations. Moreover, the regulatory and supervisory authorities are taking initiatives to promote the exchange of information on cyber security and cyber criminality in order to improve the security of technological infrastructures and establish effective recovery plans after a cyber incident.</p> <p><b><i>In respect of BNPPF:</i></b></p> <p><b><i>Macroeconomic environment.</i></b></p> <p>Market and Macroeconomic conditions affect BNPPF's results. The nature of BNPPF's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>3</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries.</p>

<sup>3</sup>

See: IMF – October 2015 Financial Stability Report, Advanced Countries and January 2016 update

Element	Title	
		<p>While the exposure of the BNP Paribas Group in emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group (including BNPP) and potentially alter its results.</p> <p>In numerous emerging economies, an increase in foreign currency commitments was observed in 2015, while the levels of indebtedness (both in foreign and local currencies) are already high. Moreover, the prospects of a progressive hike in key rates in the United States (first rate increase decided by the Federal Reserve in December 2015), as well as tightened financial volatility linked to the concerns regarding growth in emerging countries, have contributed to the stiffening of external financial conditions, capital outflows, further currency depreciations in numerous emerging countries and an increase in risks for banks. This could lead to the downgrading of sovereign ratings.</p> <p>Given the possible standardisation of risk premiums, there is a risk of global market disruptions (rise in risk premiums, erosion of confidence, decline in growth, postponement or slowdown in the harmonisation of monetary policies, drop in market liquidity, problem with the valuation of assets, shrinking of the credit offering, and chaotic de-leveraging) that would affect all banking institutions.</p> <p>The continuation of a situation with exceptionally low interest rates could promote excessive risk-taking by certain financial players: increase in the maturity of loans and assets held, less stringent loan granting policies, increase in leverage financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment of relatively weak market liquidity.</p> <p>Such liquidity pressure could be exacerbated by the recent increase in the volume of assets under management placed with structures investing in illiquid assets.</p> <p><b><i>Laws and Regulations Applicable to Financial Institutions.</i></b></p> <p>Laws and regulations applicable to financial institutions that have an impact on BNPPF have significantly evolved in the wake of the global financial crisis. The measures that have been proposed and/or adopted in recent years include more stringent capital and liquidity requirements (particularly for large global banking groups such as the BNP Paribas Group), taxes on financial transactions, restrictions and taxes on employee compensation, limits on the types of activities that commercial banks can undertake and ring-fencing or even prohibition of certain activities considered as speculative within separate subsidiaries, restrictions on certain types of financial products,</p>

Element	Title	
		<p>increased internal control and reporting requirements, more stringent conduct of business rules, mandatory clearing and reporting of derivative transactions, requirements to mitigate risks in relation to over-the-counter derivative transactions and the creation of new and strengthened regulatory bodies.</p> <p>The measures that were recently adopted, or in some cases proposed and still under discussion, that have or are likely to affect BNPPF, include in particular the EU Directive and Regulation on prudential requirements "CRD IV" dated 26 June 2013 and many of whose provisions have been applicable since 1 January 2014; the proposals of technical regulatory and execution rules relating to the Directive and Regulation CRD IV published by the EBA; the Belgian Banking Law dated 25 April 2014 replacing the previous law of 1993 and introducing important changes; the Belgian Royal Decree dated 22 February 2015 determining the entry into force of the Belgian Banking Law provisions relating to resolution (including the establishment of a Belgian Resolution Authority) and creating two preferential rights on the bank's movables; the Belgian Royal Decree dated 18 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions and the Royal Decree of 26 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions relating to the resolution and recovery of group failures; the public consultation for the reform of the structure of the EU banking sector of 2013 and the European Commission's proposed regulation on structural measures designed to improve the strength of EU credit institutions of 29 January 2014; the proposal for a regulation on indices used as benchmarks in financial instruments and financial contracts; the European Single Supervisory Mechanism; the European Single Resolution Mechanism dated 15 July 2014 and the European Directive on Bank Recovery and Resolution dated 15 May 2014; the European Directive on Revised Deposit Guarantee Schemes dated 16 April 2014; the final rule for the regulation of foreign banks imposing certain liquidity, capital and other prudential requirements adopted by the U.S. Federal Reserve; the proposal of the U.S. Federal Reserve relating to liquidity ratios of large banks; and the "Volcker" Rule imposing certain restrictions on investments in or sponsorship of hedge funds and private equity funds and proprietary trading activities (of U.S. banks and to some extent non-U.S. banks) that was recently adopted by the U.S. regulatory authorities. More generally, regulators and legislators in any country may, at any time, implement new or different measures that could have a significant impact on the financial system in general or BNPPF in particular.</p>
<b>B.19/B.5</b>	Description of the Group	<p>BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 75 countries and has more than 189,000 employees, including close to 147,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "<b>BNPP Group</b>").</p> <p>BNPPF is a subsidiary of BNP Paribas.</p>
<b>B.19/B.9</b>	Profit forecast or	Not applicable, as there are no profit forecasts or estimates made in respect of

Element	Title	
	estimate	the Guarantor in the Base Prospectus to which this Summary relates.
<b>B.19/B.10</b>	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.
<b>B.19/B.12</b>	Selected historical key financial information:	
	<b>In relation to BNPP:</b>	
	<b>Comparative Annual Financial Data - In millions of EUR</b>	
	<b>31/12/2015 (audited)</b>	<b>31/12/2014* (audited)</b>
Revenues	42,938	39,168
Cost of risk	(3,797)	(3,705)
Net income, Group share	6,694	157
	<b>31/12/2015</b>	<b>31/12/2014*</b>
Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	10.9%	10.3%
	<b>31/12/2015 (audited)</b>	<b>31/12/2014* (audited)</b>
Total consolidated balance sheet	1,994,193	2,077,758
Consolidated loans and receivables due from customers	682,497	657,403
Consolidated items due to customers	700,309	641,549
Shareholders' equity (Group share)	96,269	89,458
<i>* Restated according to the IFRIC 21 interpretation.</i>		
	<b>Comparative Interim Financial Data – In millions of EUR</b>	
	<b>1Q16 (unaudited)</b>	<b>1Q15 (unaudited)</b>
Revenues	10,844	11,065
Cost of risk	(757)	(1,044)
Net income, Group share	1,814	1,648
	<b>31/03/2016</b>	<b>31/12/2015</b>
Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.0%	10.9%
	<b>31/03/2016</b>	<b>31/12/2015</b>

Element	Title		
		<b>(unaudited)</b>	<b>(audited)</b>
	Total consolidated balance sheet	2,121,021	1,994,193
	Consolidated loans and receivables due from customers	691,620	682,497
	Consolidated items due to customers	710,173	700,309
	Shareholders' equity (Group share)	98,549	96,269
<b>In relation to BNPPF:</b>			
<b>Comparative Annual Financial Data - In millions of EUR</b>			
		<b>31/12/2015 (audited)</b>	<b>31/12/2014* (audited)</b>
	Revenues	7,235	7,011
	Cost of risk	(431)	(283)
	Net Income	2,016	1,663
	Net Income attributable to shareholders	1,575	1,246
	Total Consolidated Balance Sheet	273,683	275,206
	Shareholders' equity	18,754	20,255
	Consolidated loans and receivables due from customers	176,640	166,851
	Consolidated items due to customers	176,161	167,800
	Tier 1 Capital	18,401	18,840
	Tier 1 Ratio	14.4%	14.7%
	Total Capital	21,215	21,349
	Total Capital Ratio	16.6%	16.6%
<i>* Figures of 2014 restated according to IFRIS 21.</i>			
<b>Statements of no significant or material adverse change</b>			
There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).			
There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31			

Element	Title	
	December 2015 (being the end of the last financial period for which audited financial statements have been published).	There has been no significant change in the financial or trading position of BNPPF since 31 December 2015 and no material adverse change in the prospects of BNPPF since 31 December 2015.
<b>B.19/B.13</b>	Events impacting the Guarantor's solvency	Not applicable, as at the date of this Base Prospectus and to the best of the relevant Guarantor's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the relevant Guarantor's solvency since 31 December 2015.
<b>B.19/B.14</b>	Dependence upon other group entities	Subject to Element B.14 above, BNPP is not dependent upon other members of the BNPP Group. BNPPF is dependent upon the other members of the BNPP Group. See also Element B.5 above.
<b>B.19/B.15</b>	Principal activities	<p>BNP Paribas holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services</b>, which includes: <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Financial Services, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Insurance,</li> <li>• Wealth and Asset Management;</li> </ul> </li> </ul> </li> <li>• <b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.</li> </ul> </li> <li>• The principal activity of BNPP B.V. is to issue and/or acquire financial instruments of any nature and to enter into related</li> </ul>

Element	Title	
		<p>agreements for the account of various entities within the BNPP Group.</p> <ul style="list-style-type: none"> <li>BP2F's main object is to grant loans to BNPPF and its affiliates. In order to implement its main object, BP2F may issue bonds or similar securities, raise loans, with or without a guarantee and in general have recourse to any sources of finance. BP2F can carry out any operation it perceives as being necessary to the accomplishment and development of its business, whilst staying within the limits of the Luxembourg law of 10 August 1915 on commercial companies (as amended).</li> </ul> <p>BNPPF's object is to carry on the business of a credit institution, including brokerage and transactions involving derivatives. It is free to carry out all businesses and operations which are directly or indirectly related to its purpose or which are of a nature that benefit the realisation thereof. BNPPF is free to hold shares and share interests within the limits set by the legal framework for credit institutions (including the Belgian Banking Law).</p>
<b>B.19/B.16</b>	Controlling shareholders	<p>None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2015, the main shareholders are Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a public-interest <i>société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 10.2% of the share capital, Black Rock Inc. holding 5.1% of the share capital, as at 31 December 2015 and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and Blackrock Inc. owns more than 5% of its capital or voting rights.</p> <p>BNP Paribas holds 99.93 per cent. of the share capital of BNPPF.</p>
<b>B.19/B.17</b>	Solicited credit ratings	<p>BNPP's long term credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS), A1 with a stable outlook (Moody's Investors Service Ltd.), A+ with a stable outlook (Fitch France S.A.S.) and AA (low) with a stable outlook (DBRS Limited) and BNPP's short-term credit ratings are A-1 (Standard &amp; Poor's Credit Market Services France SAS), P-1 (Moody's Investors Service Ltd.), F1 (Fitch France S.A.S.) and R-1 (middle) (DBRS Limited).</p> <p>BNPPF's long-term credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS), A2 with a stable outlook (Moody's France SAS) and A+ with a stable outlook (Fitch Ratings Limited) and BNPPF's short-term credit ratings are A-1 (Standard &amp; Poor's Credit Market Services France SAS), P-1 (Moody's France SAS) and F1 (Fitch Ratings Limited).</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>

Element	Title	
B.20	Statement as to whether the Issuer has been established for the purpose of issuing asset backed securities	Only BNPP B.V. may issue the Secured Securities. BNPP B.V. has not been established as a special purpose vehicle or entity for the purpose of issuing asset backed securities.
B.21	Issuer's principal business activities and overview of the parties to the transaction (including direct or indirect ownership)	<p>BNPP B.V. is a BNP Paribas Group issuance vehicle, specifically involved in the issuance of structured securities, which are developed, setup and sold to investors by other companies in the group. The issuances are backed by a matching derivative contract with BNP Paribas Arbitrage S.N.C. or BNPP ensuring a match of BNPP B.V.'s assets and liabilities.</p> <p>BNP Paribas Arbitrage S.N.C., which acts as a manager in respect of the Note, Warrant and Certificate Programme, and as calculation agent in respect of certain issues of Securities and BNP Paribas Securities Services, Luxembourg Branch which acts, among other things, as principal paying agent in respect of certain series of Securities and as collateral custodian are subsidiaries of BNP Paribas ("<b>BNPP</b>") which may act as one or more of swap counterparty, repo counterparty or collateral exchange counterparty in respect of a series of Nominal Value Repack Securities.</p>
B.22	Statement regarding non-commencement of operations and no financial statements	Not applicable as BNPP B.V. has already commenced activities and has published audited financial accounts for the years ended 31 December 2014 and 31 December 2015.
B.23	Selected historical key financial information of the Issuer	See Element B.12.
B.24	Description of any material adverse change since the date of the Issuer's last published audited financial statements	Not applicable as there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2015.
B.25	Description of the underlying assets	<p>The Charged Assets are the assets on which the Nominal Value Repack Securities are secured and have characteristics that demonstrate capacity to produce funds to service the payments due and payable in respect of the Nominal Value Repack Securities.</p> <p>The "<b>Charged Assets</b>" comprise:</p> <p>(a) one or more over-the-counter derivative contract(s) documented in a master agreement, as published by the International Swaps and Derivatives Association, Inc. ("<b>ISDA</b>"), between the Issuer and the Swap Counterparty and a confirmation incorporating by reference certain definitions published by ISDA, as amended from time to</p>

Element	Title	
		<p>time, together with any credit support document relating thereto (together, the "<b>Swap Agreement</b>");</p> <p>(b) certain securities (the "<b>Reference Collateral Assets</b>");</p> <p>(c) where applicable to a series of Nominal Value Repack Securities, a repurchase agreement entered into by the Issuer with BNPP (the "<b>Repo Counterparty</b>") (the "<b>Repurchase Agreement</b>") (as further described in Element B.29 below);</p> <p>(d) where applicable to a series of Nominal Value Repack Securities, a collateral exchange agreement entered into by the Issuer with BNPP (the "<b>Collateral Exchange Counterparty</b>") (the "<b>Collateral Exchange Agreement</b>") (as further described in Element B.29 below); and</p> <p>(e) BNPP's rights under the Agency Agreement against the Collateral Custodian and the principal paying agent in respect of the relevant series of Secured Securities.</p> <p>The Swap Counterparty will be BNP Paribas (the "<b>Swap Counterparty</b>").</p> <p>The name, address and a brief description of BNP Paribas is set out at Element B.19/B.2 above. BNP Paribas is a French law <i>société anonyme</i> incorporated in France and licensed as a bank. BNP Paribas is domiciled in France with its registered address at 16 boulevard des Italiens - 75009 Paris (France).</p> <p>Where a Repurchase Agreement is entered into in respect of a series of Secured Securities, under the Repurchase Agreement, the Issuer will enter into a series of repurchase transactions (each a "<b>Repo Transaction</b>") with the Repo Counterparty in respect of securities which are "<b>Repo Collateral Securities</b>".</p> <p>Under such Repurchase Transactions, the Repo Counterparty will be the seller of Repo Collateral Securities and the Issuer will be the buyer.</p> <p>Under the Repurchase Agreement on each repurchase date, the Repo Counterparty will repurchase securities equivalent to the Repo Collateral Securities sold by it on the previous purchase date for a consideration equal to the purchase price for that Repo Transaction together with the accrued interest for that Repo Transaction (together, in each case, the "<b>Repurchase Price</b>").</p> <p>The Repo Counterparty may deliver to the Issuer new Repo Collateral Securities in substitution or exchange for existing Repo Collateral Securities, provided that the new Repo Collateral Securities are of a value at least equal to the securities initially purchased for which they are substitutes.</p> <p>Where a Collateral Exchange Agreement is entered into in respect of a series of Secured Securities, under the Collateral Exchange Agreement, the Collateral Exchange Counterparty may, at its option, enter into transactions</p>

Element	Title	
		<p>(each an "<b>Exchange Transaction</b>") with the Issuer in respect of the relevant Reference Collateral Assets. Under such Exchange Transactions, the Issuer will transfer to the Collateral Exchange Counterparty all or part of the Reference Collateral Assets (the "<b>Received Collateral</b>") and the Collateral Exchange Counterparty will transfer Replacement Collateral Assets to the Issuer. Subject to the circumstances in which the Collateral Exchange Agreement will terminate early (as described below), the Exchange Transactions shall terminate on the maturity date of the Reference Collateral Assets (or on any earlier date as specified by the Collateral Exchange Counterparty) and the Collateral Exchange Counterparty will transfer securities equivalent to the Received Collateral which it received to the Issuer on such date and the Issuer will transfer securities equivalent to the Replacement Collateral Assets which it received.</p> <p>See Element B.29 for further detail in relation to the expected cash flows under the Swap Agreement and the Reference Collateral Assets, the Repurchase Agreement and the Collateral Exchange Agreement.</p> <p>The Charged Assets are available exclusively to satisfy the claims of the secured parties (being each of the Security Trustee, any receiver, the holders of Securities, the Swap Counterparty, the Repo Counterparty (if any) and the Collateral Exchange Counterparty (if any)).</p> <p>The Charged Assets will not comprise real property and no reports on the value of any Charged Assets will be prepared by the Issuer or provided to investors.</p>
<b>B.26</b>	Parameters within which investments in respect of an actively managed pool of assets backing the issue	Not applicable as the Charged Assets are not intended to be traded or otherwise actively managed by the Issuer.
<b>B.27</b>	Statement regarding fungible issues	The Issuer may issue further securities that will be fungible with the Secured Securities.
<b>B.28</b>	Description of the structure of the transactions	<p>The security in respect of the Nominal Value Repack Secured Securities will be constituted by the relevant supplemental trust deed in respect of the Secured Securities which incorporates master trust terms agreed between the Issuer and the Security Trustee (the "<b>Security Trust Deed</b>").</p> <p>On or before the Issue Date, the Issuer will enter into the Swap Agreement and on or around the Issue Date (subject to any applicable settlement grace period), the Issuer will acquire the Reference Collateral Assets.</p> <p>Pursuant to the Swap Agreement, the Issuer will hedge its obligations in respect of interest payments (if any) and the Final Redemption Amount in respect of Secured Securities which are Nominal Value Repack Securities.</p>
<b>B.29</b>	Description of cashflows	<b>Swap Agreement</b>

Element	Title	
		<p>On the Issue Date of a series of Nominal Value Repack Securities, the Issuer will pay an amount to the Swap Counterparty equal to the net proceeds of the issue of the Securities and on or around the Issue Date the Swap Counterparty will pay amounts equal to the purchase price of the relevant Reference Collateral Assets to the Issuer which the Issuer will use to purchase the relevant Reference Collateral Assets or, where it has entered into a Repurchase Agreement, to pay such amount to the Repo Counterparty to purchase the relevant Repo Collateral Securities.</p> <p>Under the Swap Agreement, where a Repurchase Agreement has also been entered into, on each repurchase date the Issuer will pay an amount (if any) equal to the Repo Price Differential Amount (as defined below) due to be received on the relevant repurchase date to the Swap Counterparty provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.</p> <p>On each interest payment date under the Reference Collateral Assets, the Issuer will pay an amount in the currency in which the Reference Securities are denominated equal to the Reference Collateral Coupon Amount (as defined below) due to be received (or where Recovery Access is not applicable for the relevant series of Secured Securities, actually received) by the Issuer on the relevant Reference Collateral Interest Payment Date (as defined below) to the Swap Counterparty provided that no Early Redemption Event or Event of Default has occurred.</p> <p>Where one or more interest amounts is payable in respect of the Nominal Value Repack Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such interest amount payable on the Securities (each, an "<b>Interim Payment Amount</b>") on or before the date on which such payment is due to be made by the Issuer provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event, or Event of Default has occurred.</p> <p>If an Automatic Early Redemption Event occurs, the Swap Counterparty will on or prior to the relevant Automatic Early Redemption Date pay an amount to the Issuer which will be equal to the relevant Automatic Early Redemption Amount, provided that no Early Redemption Event or Event of Default has occurred and the Issuer will pay the proceeds it receives from the from the Repo Counterparty under the Repurchase Agreement to the Swap Counterparty provided that no Early Redemption Event or Event of Default has occurred.</p> <p>On or prior to the Maturity Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Redemption Amounts that the Issuer is scheduled to pay in respect of the Securities, provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.</p> <p>The Issuer's obligation under the Swap Agreement will be to pay to the Swap</p>

Element	Title	
		<p>Counterparty the scheduled amount of principal payable under the Reference Collateral Assets or the amounts scheduled to be received from the Repo Counterparty where it has entered into a Repurchase Agreement whether or not the full amount is actually received by the Issuer and, unless Recovery Access is specified to be not applicable in respect of a series of Nominal Value Repack Securities, to pay to the Swap Counterparty the scheduled amount of interest payable under the Reference Collateral Assets, provided that where Recovery Access is specified to be not applicable in respect of a series of Nominal Value Repack Securities, the Issuer's obligation under the Swap Agreement will be to pay to the Swap Counterparty the amount of interest actually received by the Issuer in respect of the Reference Collateral Assets.</p> <p><b><i>Reference Collateral Assets</i></b></p> <p>The Issuer will use the amount it receives under the Swap Agreement to purchase the Reference Collateral Assets for a series of Nominal Value Repack Securities or, where a Repurchase Agreement is entered into to pay the purchase price for the Repo Collateral Securities, to the Repo Counterparty.</p> <p>On each interest payment date under the Reference Securities (each a "<b>Reference Collateral Interest Payment Date</b>"), the issuer of the Reference Collateral Assets will pay an amount of interest to the Issuer in respect of the principal amount of the Reference Securities held by the Issuer at such time (each such amount, a "<b>Reference Collateral Coupon Amount</b>").</p> <p>The Issuer will pay the Reference Collateral Coupon Amount it receives under the Reference Collateral Assets to the Swap Counterparty under the Swap Agreement.</p> <p>On its final maturity date, the issuer of the Reference Collateral Assets will pay to the Issuer the final redemption amount in respect of the Reference Collateral Assets (the "<b>Scheduled Final Bond Payment</b>") which the Issuer will pay to the Swap Counterparty under the Swap Agreement provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.</p> <p><b><i>Repurchase Agreement</i></b></p> <p>Where a Repurchase Agreement is entered into in respect of a series of Nominal Value Repack Securities, the Issuer will use the amount received from the Swap Counterparty to purchase Repo Collateral Securities with a value equal to the aggregate Nominal Amount (or a proportion of such amount) of the relevant series pursuant to the Repurchase Agreement.</p> <p>On each relevant repurchase date under the Repurchase Agreement, the Repo Counterparty will pay an amount to the Issuer in respect of the Repo Transaction which has just terminated which will be equal to the sum of the purchase price and any price differential which has accrued during the Repo</p>

Element	Title	
		<p>Transaction (each such amount, a "<b>Repo Price Differential Amount</b>"). The Issuer will pay the Repo Price Differential Amount received under the Repurchase Agreement to the Swap Counterparty.</p> <p>On the final repurchase date under the Repurchase Agreement, the Repo Counterparty will pay to the Issuer an amount equal to the purchase price for the relevant Repo Transaction (the "<b>Final Repurchase Price Payment</b>") and the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the Final Repurchase Price Payment received by the Issuer on such date to the Swap Counterparty provided that no Automatic Early Redemption Event, Early Redemption Event or Event of Default has occurred.</p> <p>If an Automatic Early Redemption Event occurs, provided that no Early Payment Event or Event of Default has occurred, the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the amount received by the Issuer under the Repurchase Agreement from the Repo Counterparty on or around the Automatic Early Redemption Date.</p> <p><b><i>Collateral Exchange Agreement</i></b></p> <p>Where a Collateral Exchange Agreement is entered into in respect of a series of Nominal Value Repack Securities, the Collateral Exchange Counterparty will pay any amount it receives in respect of the Received Collateral (net of deductions or withholding for tax) to the Issuer and the Issuer will pay any amount it receives in respect of the Replacement Collateral Assets (net of deductions or withholding for tax) to the Collateral Exchange Counterparty. In addition, the Collateral Exchange Counterparty may pay a fee to the Issuer which the Issuer will pay to the Swap Counterparty.</p> <p>Please also see Element B.25 above.</p>
<b>B.30</b>	Name and a description of originators of securitised assets	<p>BNP Paribas is the counterparty to the Swap Agreement, and where applicable to a series of Secured Securities, BNP Paribas is the counterparty to the Repurchase Agreement and the Collateral Exchange Agreement.</p> <p>Where applicable, the issuer(s) of the Reference Collateral Assets will be specified in the applicable Final Terms.</p> <p>Please also see Element B.25 above.</p>

### Section C – Securities

Element	Title	
<b>C.1</b>	Type and class of Securities/ISIN	<p>BNPP B.V. and BP2F may issue notes ("<b>Notes</b>" or "<b>Securities</b>") under this Base Prospectus.</p> <p>BNPP B.V. may issue secured and unsecured Notes.</p>

Element	Title	
		<p>The ISIN, Common Code and Mnemonic Code in respect of a Series of Securities will be specified in the applicable Final Terms.</p> <p>If specified in the applicable Final Terms, the Securities will be consolidated and form a single series with such earlier Tranches as are specified in the applicable Final Terms.</p> <p>Securities may be cash settled ("<b>Cash Settled Securities</b>") or physically settled by delivery of assets ("<b>Physically Settled Securities</b>").</p> <p>The Securities may be denominated in one currency (the "<b>Specified Currency</b>") with amounts payable in respect of interest and/or principal payable in another currency (the "<b>Settlement Currency</b>"), such Notes being "<b>Dual Currency Notes</b>".</p>
C.2	Currency	Subject to compliance with all applicable laws, regulations and directives, Securities may be issued in any currency.
C.5	Restrictions on free transferability	The Securities will be freely transferable, subject to the offering and selling restrictions in the United States, the European Economic Area, France, Portugal, Japan and Australia and under the Prospectus Directive and the laws of any jurisdiction in which the relevant Securities are offered or sold.
C.8	Rights attaching to the Securities	<p>Securities issued under this Base Prospectus will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p><i>In the case of Securities issued by BNPP B.V.:</i></p> <p>The Securities may be issued on either a secured or an unsecured basis. Securities issued on an unsecured basis and (if applicable) the relative Coupons constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Issuer (save for statutorily preferred exceptions).</p> <p>Securities issued on a secured basis ("<b>Secured Securities</b>") constitute unsubordinated and secured obligations of BNPP B.V. and will rank <i>pari passu</i> among themselves.</p> <p><i>In the case of Securities issued by BP2F:</i></p> <p>The Securities and (if applicable) the relative Coupons constitute direct, unconditional, unsubordinated and unsecured and general obligations of the Issuer and rank <i>pari passu</i> (subject to mandatorily preferred debts under applicable laws) without any preference among themselves and at least equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations, including guarantees and other obligations of</p>

Element	Title	
		<p>a similar nature of the Issuer.</p> <p><b><i>Secured Securities</i></b></p> <p>In respect of Secured Securities which are not Nominal Value Repack Securities, BNPP B.V. will grant a security interest in favour of BNP Paribas Trust Corporation UK Limited or such other entity specified as the collateral agent in the Final Terms (the "<b>Collateral Agent</b>") on behalf of the Collateral Agent and the relevant holders over assets (such assets, the "<b>Collateral Assets</b>") held in accounts with a custodian or bank (each a "<b>Collateral Account</b>").</p> <p>In respect of Secured Securities which are specified in the applicable Final Terms to be "<b>Nominal Value Repack Securities</b>", BNPP B.V. will grant a security interest in favour of The Law Debenture Trust Corporation p.l.c. or such other entity specified as the security trustee in the Final Terms (the "<b>Security Trustee</b>") on behalf of the Security Trustee, the relevant holders and the other secured parties over assets (such assets, the "<b>Collateral Assets</b>") held in accounts with a custodian or bank (each a "<b>Collateral Account</b>").</p> <p>One or more series of Secured Securities may be secured by the same pool of Collateral Assets (each a "<b>Collateral Pool</b>"). The Collateral Assets in a Collateral Pool must consist of the eligible collateral specified in the applicable Final Terms. The applicable Final Terms will specify the Collateral Assets which comprise the Collateral Pool(s) for the series of Secured Securities.</p> <p>In respect of Secured Securities which are not Nominal Value Repack Securities, the Final Terms will also specify whether or not the Issuer will provide collateral in respect of the nominal amount (the "<b>nominal value</b>") of the relevant Secured Securities ("<b>Nominal Value Collateralisation</b>") or in respect of part of the nominal value of the relevant Secured Securities ("<b>Partial Nominal Value Collateralisation</b>") or in respect of the marked to market value of the Secured Securities ("<b>MTM Collateralisation</b>") or in respect of part of the marked to market value of the Secured Securities ("<b>Partial MTM Collateralisation</b>") or whether the Secured Securities are "<b>Collateral Asset Linked Securities</b>". 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 or in respect of part of the nominal value of the relevant Secured Securities (the "<b>Reference Collateral Assets</b>") 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 "<b>MTM Adjustable Assets</b>") unless the Secured Securities are "Nominal Value Collateral Asset Linked Securities" or "Partial Nominal Value Collateral Asset Linked Securities" in which case no such collateral will be provided and the market value of such option will be uncollateralised.</p>

Element	Title	
		<p>In respect of Secured Securities which are not Nominal Value Repack Securities, the Issuer will not hold Collateral Assets in respect of Secured Securities where it or one of its affiliates is the beneficial owner of such Secured Securities.</p> <p>In respect of Secured Securities which are Nominal Value Repack Securities, the Final Terms will also specify whether the Issuer will acquire Reference Collateral Assets in respect of the nominal value of the relevant Secured Securities or in respect of part of the nominal value of the relevant Secured Securities.</p> <p>Following the occurrence of one or more of the events of default applicable to the Secured Securities (which events of default include non-payment, non-performance or non-observance of BNPP B.V.'s or the Guarantor's obligations in respect of the Secured Securities; the insolvency or winding up of the Issuer or Guarantor) and, in the case of Secured Securities which are not Nominal Value Repack Securities, delivery of a notice from a holder of Secured Securities to, among others, the Collateral Agent which is not disputed by BNPP B.V., the security over each Collateral Pool will be enforced by the Collateral Agent or, in the case of Secured Securities which are Nominal Value Repack Securities delivery of an enforcement notice by the Security Trustee, the security over each Collateral Pool will be enforced by the Security Trustee.</p> <p>Following the realisation, or enforcement, of the security with respect to a Collateral Pool if the amount paid to holders of Secured Securities in respect of a series of Secured Securities is less than the amount payable in respect of such Secured Securities following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP.</p> <p>Certain series of Secured Securities which are not Nominal Value Repack Securities may provide that on enforcement of the security interest with respect to a Collateral Pool, the Collateral Assets and/or the value realised for any of the Collateral Assets which are sold in connection with the enforcement and delivery will be delivered to the relevant holders of Securities and no shortfall will be calculated.</p> <p>The amount payable in respect of the Secured Securities following the realisation or enforcement of the security with respect to a Collateral Pool will be, as specified in the applicable Final Terms, the Security Value Termination Amount, Security Value Realisation Proceeds, Partial Nominal Value Realisation Proceeds, Nominal Value Amount or Shortfall Value Amount or, in the case of Nominal Value Repack Securities, the Realisation Proceeds, the Nominal Value Realisation Proceeds, Partial Nominal Value realisation Proceeds or Physical Delivery of Collateral (the "<b>Security Termination Amount</b>"). Where the Secured Securities are Collateral Asset Linked Securities, the Reference Collateral Assets and/or the value realised for any of the Reference Collateral Assets which are sold in connection with</p>

Element	Title	
		<p>the enforcement and delivery will be delivered to the relevant holders and an amount equal to the Security MTM Termination Amount and, in the case of Partial Nominal Value Collateral Asset Linked Securities only, an amount equal to the aggregate Nominal Shortfall 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 or, in the case of Nominal 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 provided that, in respect of Partial Nominal Value Collateral Asset Linked Securities only, following the realisation, or enforcement, of the security with respect to the Collateral Pool, if the amount paid by BNPP B.V. in respect of (i) the marked to market value of the option which BNPP B.V. will enter into in order to hedge its obligations and (ii) the nominal amount of the Securities which is not collateralised, is less than the sum of the Security MTM Termination Amount and the aggregate Nominal Shortfall Amount following such realisation, enforcement or payment, such shortfall shall be irrevocably guaranteed by BNPP.</p> <p>Where the Secured Securities are Nominal Value Repack Securities, 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 proceeds received by the Issuer in respect of the other Charged Assets (if any) will be payable to the relevant holders after payment of all amounts due in accordance with the relevant priority of payments in priority to amounts due to the 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 Charged Assets in respect of the relevant series of Secured Securities is less than the Security Termination Amount following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP.</p> <p>Secured Securities which are Nominal Value Repack Securities will also be subject to one or more Early Redemption Events which will be events affecting the Securities leading to the early redemption of the Secured Securities by payment of an early redemption amount or by delivery of the relevant Reference Collateral Assets. Such events include additional disruption events, or optional additional disruption events where the Calculation Agent determines it is not possible to make a suitable adjustment to the terms of the Securities, termination of the related Swap Agreement, Repurchase Agreement or Collateral Exchange Agreement, events linked to the value of the Reference Collateral Assets, the Secured Securities or the Swap Agreement, events relating to the tax treatment of payments under the relevant Reference Collateral Assets, change in law events affecting the</p>

Element	Title	
		<p>Reference Collateral Assets or the entity which issues the Reference Entity Collateral Assets, events relating to defaults, early redemptions or payment failures relating to the Reference Collateral Assets, events such as bankruptcies or restructurings with respect to one or more of the issuer of the Reference Collateral Assets, its parent (if any) or any guarantor and other events which may be triggered by events occurring with respect to one or more of the issuer of the Reference Collateral Assets, its parent (if any) or any guarantor of the Reference Collateral Assets or, where specified, a certain other specified entity and may, if so specified, be triggered by events occurring with respect to obligations meeting certain characteristics of such entities which may include but will not be limited to the relevant Reference Collateral Assets.</p> <p>Upon the occurrence of one of these Early Redemption Events, the Reference Collateral Assets will be sold or, where specified in the applicable Final Terms, delivered to the holders of the relevant Secured Securities after deduction of amounts or sale of Reference Collateral Assets (where physical settlement is applicable) to pay amounts due in priority to the holders including, without limitation, where applicable, termination payments due to the Swap Counterparty, Repo Counterparty or Collateral Exchange Counterparty.</p> <p><b><i>Taxation</i></b></p> <p><i>In the case of Securities issued by BNPP B.V.,</i></p> <p>Subject to Condition 6.4 being specified as applicable in the applicable Final Terms, all payments in respect of Notes will be made without deduction for or on account of withholding taxes imposed by France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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.), unless such deduction or withholding is required by law. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p> <p><i>In the case of Securities issued by BP2F,</i></p> <p>Subject to Condition 6.4 being specified as applicable in the applicable Final Terms, all payments in respect of Notes will be made without deduction for or on account of withholding taxes imposed by Luxembourg or any political subdivision thereof or any authority or agency therein or thereof having the power to tax or, where applicable, (in the case of the Guarantor) Belgium or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless such deduction or withholding is required by law. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p>

Element	Title	
		<p><i>In the case of Securities issued by any Issuer</i></p> <p>Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 6) any law implementing an intergovernmental approach thereto, and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.</p> <p><b><i>Negative pledge</i></b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p> <p><b><i>Events of Default</i></b></p> <p>The terms of the Notes will contain events of default including non-payment, non-performance or non-observance of the Issuer's or (if applicable) Guarantor's obligations in respect of the Securities; the insolvency or winding up of the Issuer or (if applicable) Guarantor; or (in the case of BP2F) default by the Issuer or Guarantor in payment on other loan indebtedness of or assumed or guaranteed by the Issuer or Guarantor of at least EUR 50,000,000 or its equivalent in any other currency.</p> <p><b><i>Meetings</i></b></p> <p>The terms of the Securities will contain provisions for calling meetings of holders of such Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p>In the case of French law W&amp;C Securities, the applicable Final Terms may specify that Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>masse</i> (the "<b><i>Masse</i></b>") or that Holders shall not be grouped in a <i>Masse</i>.</p> <p><b><i>Governing law</i></b></p> <p>The Note Agency Agreement (as amended, supplemented and/or restated from time to time), the Deed of Covenant, (as amended, supplemented and/or restated from time to time), the Guarantees in respect of the Notes, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Note Agency Agreement (as amended, supplemented and/or restated from time to time), the Deed of Covenant, (as amended, supplemented and/or restated from time to time), the Guarantees, the Notes (except as aforesaid), the Receipts and the Coupons are governed</p>

Element	Title	
		by, and shall be construed in accordance with, English law.
C.9	Interest/Redemption	<p><b>Interest</b></p> <p>The Securities may or may not bear or pay interest. Interest paying Securities will either bear or pay interest determined by reference to a fixed rate, a floating rate and/or a rate calculated by reference to one or more Underlying Reference(s) (each an "<b>Underlying Reference</b>").</p> <p>Securities which do not bear or pay interest may be offered and sold at a discount to their nominal amount.</p> <p>Interest will be calculated and payable on such date or dates as determined by the Issuer at the time of issue of the relevant Securities, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p>The Interest Rate may be any of the following as specified in the applicable Final Terms:</p> <ul style="list-style-type: none"> <li>(a) Fixed Rate (including SPS Fixed): paying a fixed rate of interest.</li> <li>(b) Floating Rate (including SPS Variable Amount): paying a floating rate of interest which may be calculated by reference to a reference rate (such as, but not limited to, LIBOR or EURIBOR).</li> <li>(c) Linked Interest (including SPS Coupons: Stellar, Cappuccino, Ratchet, Driver, Nova, and FI Coupons: FX Vanilla): paying an amount linked to the performance to of one or more Underlying Reference(s).</li> <li>(d) Conditional (including SPS Coupons: Digital, Snowball Digital, Accrual Digital, and FI Coupons: FI Digital, FX Digital, Range Accrual, FX Range Accrual, FX Memory, PRDC, FI Digital Floor, FI Digital Cap): paying an amount either related or unrelated to the performance of the Underlying Reference(s), if certain conditions are met.</li> <li>(e) Combinations (including SPS Coupons: Sum, Option Max, and FI Coupon: Combination Floater): combining two or more coupon types.</li> <li>(f) FI Target Coupon</li> </ul>

Element	Title	
		<p>These rates and/or amounts of interest payable may be subject to a maximum or a minimum. If Coupon Switch Election or Automatic Coupon Switch is specified as applicable in the applicable Final Terms, the rate may be switched from one specified rate to another. If Additional Coupon Switch is specified as applicable in the applicable Final Terms, an Additional Switch Coupon Amount will be payable on the Interest Payment Date following such switch. The terms applicable to each Series of such Securities will be determined by the Issuer at the time of issue of the relevant Securities, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p><b><i>Redemption</i></b></p> <p>The terms under which Securities may be redeemed (including the maturity date and the amount payable or deliverable on redemption as well as any provisions relating to early redemption) will be determined by the Issuer at the time of issue of the relevant Securities, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. Securities may be redeemed early for tax reasons at the Early Redemption Amount calculated in accordance with the Conditions or, if specified in the applicable Final Terms, at the option of the Issuer or at the option of the Noteholders at the Optional Redemption Amount specified in the applicable Final Terms. The Optional Redemption Amount in respect of each nominal amount of Securities equal to the Calculation Amount shall be either (i) the Calculation Amount multiplied by the percentage specified in the applicable Final Terms; or (ii) the SPS Call Payout (in the case of early redemption at the option of the Issuer) or SPS Put Payout (in the case of early redemption at the option of the Noteholders).</p> <p>In the case of Securities linked to an Underlying Reference, the Securities may also be redeemed early following the occurrence of certain disruption, adjustment, extraordinary or other events as summarised in the relevant issue specific summary annexed to the applicable Final Terms. If Payout Switch Election or Automatic Payout Switch is specified in the applicable Final Terms, the amount payable or deliverable on redemption may be switched from one amount payable or deliverable to another.</p> <p><b><i>Dual Currency Notes</i></b></p> <p>In the case of Dual Currency Notes, any amount calculated to be payable in respect of interest (if any) and any amount calculated to be payable on redemption of the Notes, will be converted into the Settlement Currency at the Specified Exchange Rate or the Settlement Currency Exchange Rate specified in the applicable Final Terms.</p> <p><b><i>Indication of Yield</i></b></p> <p>In the case of Securities that bear or pay interest at a fixed rate, the yield will be specified in the applicable Final Terms and will be calculated as the rate of</p>

Element	Title	
		<p>interest that, when used to discount each scheduled payment of interest and principal under the Securities from the scheduled Maturity Date back to the Issue Date, yields amounts that sum to the Issue Price.</p> <p>The yield is calculated at the Issue Date on the basis of the Issue Price and on the assumption that the Securities are not subject to early redemption or, if applicable, no Credit Event occurs. It is not an indication of future yield.</p> <p>In the case of Securities that bear or pay interest other than at a fixed rate, due to the nature of such Securities it is not possible to determine the yield as of the Issue Date.</p> <p><b>Representative of Holders</b></p> <p>No representative of the Holders has been appointed by the Issuer.</p> <p>Please also refer to item C.8 above for rights attaching to the Securities.</p>
C.10	Derivative component in the interest payment	<p>Payments of interest in respect of certain Tranches of Securities may be determined by reference to the performance of certain specified Underlying Reference(s).</p> <p>Please also refer to Elements C.9 above and C.15 below.</p>
C.11	Admission to Trading	<p>Securities issued under this Base Prospectus may be listed and admitted to trading on Euronext Paris, the Luxembourg Stock Exchange, the Italian Stock Exchange, the EuroMTF Market, Euronext Brussels, NASDAQ OMX Helsinki Ltd., the Nordic Growth Market or such other regulated market, organised market or other trading system specified in the applicable Final Terms, or may be issued on an unlisted basis.</p>
C.12	Minimum denomination of issue	<p>In respect of Nominal Value Repack Securities, the minimum denomination of issue will be specified in the applicable Final Terms.</p>
C.15	How the value of the investment in the derivative securities is affected by the value of the underlying assets	<p>The amount (if any) payable in respect of interest or the amount payable or assets deliverable on redemption of the Securities may be calculated by reference to certain specified Underlying Reference(s) specified in the applicable Final Terms.</p>
C.16	Maturity of the derivative securities	<p>The Maturity Date of the Securities will be specified in the applicable Final Terms.</p>
C.17	Settlement Procedure	<p>Securities may be cash or physically settled.</p> <p>In certain circumstances the Issuer, the Holder or (if applicable) the Guarantor may vary settlement in respect of the Securities.</p>
C.18	Return on Derivative Securities	<p>See item C.8 above for the rights attaching to the Securities.</p> <p>Information on interest in relation to the Securities is set out in Element C.9 above</p>

Element	Title	
		<p><b><i>Final Redemption</i></b></p> <p>Unless previously redeemed or purchased and cancelled, each Security will be redeemed by the Issuer on the Maturity Date:</p> <ul style="list-style-type: none"> <li>(a) if the Securities are Cash Settled Securities, at the Final Redemption Amount as specified in the applicable Final Terms, being an amount calculated by the Calculation Agent equal to the Final Payout specified in the applicable Final Terms; or</li> <li>(b) if the Securities are Physically Settled Securities, by delivery of the Entitlement, being the quantity of the Relevant Asset(s) specified in the applicable Final Terms equal to the Entitlement Amount specified in the applicable Final Terms.</li> </ul> <p>Notwithstanding the above, if the Notes are Credit Securities, redemption shall be at the amount and/or by delivery of the assets specified in the Credit Security Conditions and the applicable Final Terms.</p> <p><b><i>Final Payouts</i></b></p> <p><b>Structured Products Securities (SPS) Final Payouts</b></p> <ul style="list-style-type: none"> <li>(a) Fixed Percentage Securities: fixed term products which have a return equal to a fixed percentage.</li> <li>(b) Reverse Convertible Securities (Reverse Convertible, Reverse Convertible Standard): fixed term products which have a return linked to both the performance of the Underlying Reference(s) and a knock-in level. There is no capital protection.</li> <li>(c) Vanilla Securities (Call, Call Spread, Put, Put Spread, Digital, Knock-in Call, Knock-out Call): fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various mechanisms (including knock-in or knock-out features). There may be total, partial or no capital protection.</li> <li>(d) Asian Securities (Asian, Asian Spread, Himalaya): fixed term products under which have a return linked to the performance of the Underlying Reference(s) determined through an averaging method. The return calculation can be based on various mechanisms (including a cap or lock-in features). There may be total, partial or no capital protection.</li> <li>(e) Auto-callable Securities (Autocall, Autocall One Touch, Autocall Standard): fixed term products that include an automatic early redemption feature. The return is linked to the performance of the Underlying Reference(s), calculation can be based on various mechanisms (including knock-in features). There may be total,</li> </ul>

Element	Title	
		<p>partial or no capital protection.</p> <p>(f) Indexation Securities (Certi plus: Booster, Certi plus: Bonus, Certi plus: Leveraged, Certi plus: Twin Win, Certi plus: Super Sprinter, Certi plus: Generic, Certi plus: Generic Knock-in, Certi plus: Generic Knock-out): fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(g) Ratchet Securities: fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is equal to the sum of returns determined on a given formula (which can be capped or floored). There may be total, partial or no capital protection.</p> <p>(h) Sum Securities: fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation is the weighted sum of returns determined using different payout formulae. There may be total, partial or no capital protection.</p> <p>(i) Option Max Securities: fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to the maximum return determined from other payout formulae. There may be total, partial or no capital protection.</p> <p>(j) Stellar Securities: fixed term products which have a return linked to the performance of a basket of Underlying References. The return calculation, which is subject to a floor, is made up of the average returns of each Underlying Reference in the basket, each being subject to both a cap and a floor.</p> <p>(k) Driver Securities: fixed term products which have a return linked to the performance of a basket of Underlying References. The return calculation, which is subject to a floor, is determined by reference to the average return of the basket, where the performance of the best performing Underlying Reference(s) is set at a fixed level.</p> <p><b>Fixed Income (FI) Payouts</b></p> <p>(a) FI FX Vanilla Securities: fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(b) Digital Securities (Digital Floor, Digital Cap, Digital Plus): fixed term products which have a fixed return depending on the</p>

Element	Title	
		<p>performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including floor or cap conditions and knock-in and/or knock-out features)</p> <p>(c) Inflation securities: fixed term products which have a return linked to the performance of the Underlying Reference(s).</p> <p><b><i>Entitlement Amounts</i></b></p> <p>Delivery of Worst-Performing Underlying</p> <p>Delivery of Best-Performing Underlying</p> <p>Delivery of the Underlying</p> <p>If Delivery of Worst-Performing Underlying, Delivery of Best-Performing Underlying or Delivery of the Underlying is specified in the applicable Final Terms, the Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to the Rounding and Residual Amount.</p> <p><b><i>Automatic Early Redemption</i></b></p> <p>If an Automatic Early Redemption Event, as specified in the applicable Final Terms, occurs, the Securities will be redeemed early at the Automatic Early Redemption Amount on the Automatic Early Redemption Date.</p> <p>The Automatic Early Redemption Amount in respect of each nominal amount of Notes equal to the Calculation Amount will be equal to the Automatic Early Redemption Payout specified in the applicable Final Terms or, if not set out, an amount equal to the product of (i) the Calculation Amount and (ii) the sum of the relevant Automatic Early Redemption Percentage and the relevant AER Rate specified in the applicable Final Terms relating to the Automatic Early Redemption Date.</p> <p><b><i>Automatic Early Redemption Payouts</i></b></p> <p>SPS Automatic Early Redemption Payout</p> <p>Target Automatic Early Redemption</p> <p>FI Underlying Automatic Early Redemption</p> <p>FI Coupon Automatic Early Redemption</p> <p><b><i>Dual Currency Notes</i></b></p> <p>In the case of Dual Currency Notes, any amount calculated to be payable on redemption of the Notes will be converted into the Settlement Currency at the Specified Exchange Rate or the Settlement Currency Exchange Rate specified in the applicable Final Terms.</p>

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

#### Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuers and the Guarantors	<p>Prospective purchasers of Securities issued under this Base Prospectus should be experienced with respect to options and options transactions and should understand the risks of transactions involving the Securities. An investment in Securities presents certain risks that should be taken into account before any investment decision is made. Certain risks may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee, some of which are beyond its control. In particular, the Issuer (and the Guarantor), together with the BNPP Group, is exposed to the risks associated with its activities, as described below:</p> <p><b>Issuers</b></p> <p><b>BNPP B.V.</b></p> <p>The main risks described above in relation to BNPP also represent the main risks for BNPP B.V., either as an individual entity or a company in the BNPP Group.</p> <p><i>Dependency Risk</i></p> <p>BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the</p>

Element	Title	
		<p>obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities, and, in the case of Nominal Value Repack Securities, Reference Collateral Assets and/or other agreements, such as repurchase agreements, as appropriate. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Group entities to perform their obligations under such hedging agreements, and, in the case of Nominal Value Repack Securities, the ability of the issuer(s) of, or obligors in respect of, the Reference Collateral Assets to pay amounts due under such Reference Collateral Assets and/or its counterparties under other agreements to perform their obligations under such agreements.</p> <p><i>Market Risk</i></p> <p>BNPP B.V. takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by option and swap agreements and therefore these risks are mitigated in principle.</p> <p><i>Credit Risk</i></p> <p>BNPP B.V. has significant concentration of credit risks as all OTC contracts are acquired from its parent company and other BNPP Group entities. Taking into consideration the objective and activities of BNPP B.V. and the fact that its parent company is under supervision of the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A) by Standard &amp; Poor's and (A1) by Moody's.</p> <p><i>Liquidity Risk</i></p> <p>BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities.</p> <p><b>BP2F</b></p> <p>The following is a summary of some of the additional investment considerations relating to the business of BP2F:</p> <p>(1) <i>Operational Risk</i> - operational risk concerns the risk of loss resulting from inadequate or failed internal processes or systems, human error, external events or changes in the competitive environment that damage the franchise or operating economics of a business.</p> <p>In order to mitigate operational risks, in 2013 BP2F hired two part</p>

Element	Title	
		<p>time employees of BNP Paribas Fortis SA/NV.</p> <p>(2) <i>Legal Risk and Tax Risk</i> – BP2F may face legal risks and tax risks.</p> <p>In case of any potential legal risk, BP2F will request advice from the legal department of BNPPF and external legal advisors, if required by an executive manager of BP2F or by a member of the board of directors.</p> <p>In case of any potential tax risk, BP2F will request advice from the tax specialists of its parent company and advice from external tax advisors if required by a member of the board of directors.</p> <p>(3) <i>Liquidity Risk</i> – liquidity risk concerns the risk that BP2F, though solvent, either does not have sufficient financial resources available to meet its obligations when they fall due, or can secure or sell its assets only at excessive cost.</p> <p>(4) <i>Financial Risk</i> – financial risk encompasses two types of risk:</p> <ul style="list-style-type: none"> <li>• the credit risk - the risk that a borrower or counterparty will no longer be able to repay its debt; and</li> <li>• the market risk – the potential loss resulting from unfavourable market movements, which can arise from trading or holding positions in financial instruments.</li> </ul> <p>(5) <i>Settlement Risk</i> – settlement risk is the risk the BP2F takes by being responsible for cash management on a daily basis by monitoring the cash balances of BP2F.</p> <p>BP2F has implemented a payment procedure approved by the board of directors and agreed by BGL BNP Paribas S.A. to mitigate this risk.</p> <p>(a) The primary credit protection for Securities issued by BP2F will derive from the guarantees given by BNPPF.</p> <p>(b) BP2F's ability to perform its obligations in respect of the structured return on structured securities may depend on the ability of its hedging counterparties to meet their obligations under any hedge.</p> <p>(c) BP2F's ability to make payments under the Securities may depend on the operating performance of those companies to which the proceeds of the Securities are lent.</p> <p>(d) The financial condition of the operating companies to which the proceeds of the Securities are lent may deteriorate and this may affect BP2F's ability to make payments under the Securities which it issues.</p> <p>(e) During deteriorating or challenging economic conditions BP2F may</p>

Element	Title	
		<p>find it difficult to raise further finance.</p> <p>(f) Transfer pricing tax rules in Luxembourg generate additional costs, which may vary from time to time.</p> <p><b>Guarantors</b></p> <p><b>BNPP</b></p> <p>There are certain factors that may affect the BNPP's obligations under the Guarantees under this Base Prospectus.</p> <p>Eleven main categories of risk are inherent in BNPP's activities:</p> <p>(1) <i>Credit Risk</i> – Credit risk is the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;</p> <p>(2) <i>Counterparty Credit Risk</i> – Counterparty credit risk is the credit risk embedded in payment or transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter (OTC) derivatives contracts which potentially expose the Bank to the risk of counterparty default, as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions or portfolio;</p> <p>(3) <i>Securitisation</i> – Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranced, having the following characteristics:</p> <ul style="list-style-type: none"> <li>• payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</li> <li>• the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;</p> <p>(4) <i>Market Risk</i> – Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and</p>

Element	Title	
		<p>other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;</p> <p>(5) <i>Operational Risk</i> – Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.</p> <p>Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.</p> <p>Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;</p> <p>(6) <i>Compliance and Reputation Risk</i> – Compliance risk as defined in French regulations as the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or</p>

Element	Title	
		<p>instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.</p> <p>By definition, this risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, the Bank treats compliance risk separately.</p> <p>Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.</p> <p>Reputation risk is primarily contingent on all the other risks borne by the Bank;</p> <p>(7) <i>Concentration Risk</i> – Concentration risk and its corollary, diversification effects, are embedded within each risk, especially for credit, market and operational risks using the correlation parameters taken into account by the corresponding risk models.</p> <p>It is assessed at consolidated Group level and at financial conglomerate level;</p> <p>(8) <i>Banking Book Interest Rate Risk</i> – Banking book interest rate risk is the risk of incurring losses as a result of mismatches in interest rates, maturities and nature between assets and liabilities. For banking activities, this risk arises in non-trading portfolios and primarily relates to global interest rate risk;</p> <p>(9) <i>Strategic and Business Risks</i> – Strategic risk is the risk that the Bank's share price may fall because of its strategic decisions.</p> <p>Business risk is the risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity.</p> <p>These two types of risk are, monitored by the Board of directors;</p> <p>(10) <i>Liquidity Risk</i> – In accordance with regulations, the liquidity risk is defined as the risk that a bank will be unable to honour its commitments or unwind or settle a position due to the situation on the market or idiosyncratic factors, within a given time frame and at a reasonable price or cost; and</p> <p>(11) <i>Insurance Underwriting Risk</i> – Insurance underwriting risk corresponds to the risk of a financial loss caused by an adverse trend in insurance claims. Depending on the type of insurance business (life, personal risk or annuities), this risk may be statistical, macroeconomic or behavioural, or may be related to public health</p>

Element	Title	
		<p>issues or natural disasters. It is not the main risk factor arising in the life insurance business, where financial risks are predominant.</p> <p>(a) Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on BNPP's financial condition, results of operations and cost of risk.</p> <p>(b) Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.</p> <p>(c) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors</p> <p>(d) Significant interest rate changes could adversely affect BNPP's revenues or profitability.</p> <p>(e) The prolonged low interest rate environment carries inherent systemic risks.</p> <p>(f) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.</p> <p>(g) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(h) BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p> <p>(i) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</p> <p>(j) Laws and regulations adopted in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.</p> <p>(k) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.</p> <p>(l) BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations.</p> <p>(m) There are risks related to the implementation of BNPP's strategic plan.</p> <p>(n) BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its acquisitions.</p>

Element	Title	
		<p>(o) Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability.</p> <p>(p) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.</p> <p>(q) BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.</p> <p>(r) BNPP's hedging strategies may not prevent losses.</p> <p>(s) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.</p> <p>(t) The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs.</p> <p>(u) BNPP's competitive position could be harmed if its reputation is damaged.</p> <p>(v) An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses.</p> <p>(w) Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.</p> <p><b>BNPPF</b></p> <p>The following is a summary of some of the investment considerations relating to the business of BNPPF:</p> <p>Ten main categories of risk are inherent in BNPPF's activities:</p> <p>(1) <i>Credit Risk</i> – Credit risk is the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;</p> <p>(2) <i>Counterparty Credit Risk</i> – Counterparty credit risk is the credit risk embedded in payment or transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter (OTC) derivatives contracts which potentially expose BNPPF to the risk of counterparty default, as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the</p>

Element	Title	
		<p>replacement value of the relevant transactions or portfolio;</p> <p>(3) <i>Securitisation</i> – Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranching, having the following characteristics:</p> <ul style="list-style-type: none"> <li>• payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</li> <li>• the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;</p> <p>(4) <i>Market Risk</i> – Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;</p> <p>(5) <i>Operational Risk</i> – Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external</p>

Element	Title	
		<p>events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.</p> <p>Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.</p> <p>Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;</p> <p>(6) <i>Compliance and Reputation Risk</i> – Compliance risk is the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.</p> <p>This risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, BNPPF treats compliance risk separately.</p> <p>Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.</p> <p>Reputation risk is primarily contingent on all the other risks borne by BNPPF;</p> <p>(7) <i>Concentration Risk</i> – Concentration risk and its corollary, diversification effects, are embedded within each risk, especially for credit, market and operational risks using the correlation parameters taken into account by the corresponding risk models.</p> <p>It is assessed at consolidated Group level and at financial conglomerate level;</p> <p>(8) <i>Banking Book Interest Rate Risk</i> – Banking book interest rate risk is the risk of incurring losses as a result of mismatches in interest rates,</p>

Element	Title	
		<p>maturities and nature between assets and liabilities. For banking activities, this risk arises in non-trading portfolios and primarily relates to global interest rate risk;</p> <p>(9) <i>Strategic and Business Risks</i> – Strategic risk is the risk that BNPPF's share price may fall because of its strategic decisions.</p> <p>Business risk is the risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity.</p> <p>These two types of risk are monitored by the board of directors; and</p> <p>(10) <i>Liquidity Risk</i> – In accordance with regulations, the liquidity risk is defined as the risk that a bank will be unable to honour its commitments or unwind or settle a position due to the situation on the market or idiosyncratic factors, within a given time frame and at a reasonable price or cost,</p> <p>(a) Difficult market and economic conditions including, without limitation, concerns regarding the ability of certain countries in the eurozone to refinance their debt obligations, could in the future have a material adverse effect on the operating environment for financial institutions and hence on BNPPF's financial condition, results of operations and cost of risk.</p> <p>(b) Legislative action and regulatory measures taken in response to the global financial crisis may materially impact BNPPF and the financial and economic environment in which it operates.</p> <p>(c) BNPPF's access to and cost of funding could be adversely affected by a further deterioration of the euro zone sovereign debt crisis, worsening economic conditions, a ratings downgrade, increases in credit spreads or other factors.</p> <p>(d) The prolonged low interest rate environment carries inherent systemic risks.</p> <p>(e) The soundness and conduct of other financial institutions and market participants could adversely affect BNPPF.</p> <p>(f) BNPPF may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(g) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPPF's results of operations and financial condition.</p> <p>(h) BNPPF may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p>

Element	Title	
		<ul style="list-style-type: none"> <li data-bbox="603 315 1257 344">(i) BNPPF's hedging strategies may not prevent losses.</li> <li data-bbox="603 378 1445 443">(j) Significant interest rate changes could adversely affect BNPPF's revenues or profitability.</li> <li data-bbox="603 477 1445 584">(k) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</li> <li data-bbox="603 618 1445 683">(l) BNPPF is subject to extensive and evolving regulatory regimes in the countries and regions in which it operates.</li> <li data-bbox="603 716 1445 824">(m) Notwithstanding BNPPF's risk management policies, procedures and methods, it could still be exposed to unidentified or unanticipated risks, which could lead to material losses.</li> <li data-bbox="603 857 1445 922">(n) While each of BNPPF's businesses manages its operational risks, these risks remain an inherent part of all of BNPPF's businesses.</li> <li data-bbox="603 956 1445 1021">(o) BNPPF has significant counterparty risk exposure and exposure to systemic risks.</li> <li data-bbox="603 1055 1445 1120">(p) BNPPF's competitive position could be harmed if its reputation is damaged.</li> <li data-bbox="603 1153 1445 1261">(q) An interruption in or a breach of BNPPF's information systems may result in material losses of client or customer information, damage to BNPPF's reputation and lead to financial losses.</li> <li data-bbox="603 1294 1445 1359">(r) Litigation or other proceedings or actions may adversely affect BNPPF's business, financial condition and results of operations.</li> <li data-bbox="603 1393 1390 1422">(s) Uncertainty linked to fair value accounting and use of estimates.</li> <li data-bbox="603 1456 1445 1520">(t) A deterioration of the credit rating of BNP Paribas of its debt quality could adversely affect BNPPF</li> <li data-bbox="603 1554 1445 1619">(u) Unforeseen external events can interrupt BNPPF's operations and cause substantial losses and additional costs.</li> <li data-bbox="603 1653 1445 1805">(v) BNPPF may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.</li> <li data-bbox="603 1839 1445 1904">(w) Intense competition in the financial services industry could adversely affect BNPPF revenues and profitability.</li> <li data-bbox="603 1937 1445 2045">(x) Adjustments to the carrying value of BNPPF's securities and derivatives portfolios and BNPPF's own debt could have an impact on its net income and shareholders' equity.</li> </ul>

Element	Title	
		<p>(y) The expected changes in accounting principles relating to financial instruments may have an impact on BNPPF's balance sheet and regulatory capital ratios and result in additional costs.</p> <p>(z) Risks related to the implementation of BNPP Group's strategic plans.</p>
<b>D.3</b>	Key risks regarding the Securities	<p>In addition to the risks (including the risk of default) that may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee, there are certain factors which are material for the purposes of assessing the risks associated with Securities issued under this Base Prospectus, including:</p> <p><i>Market Risks</i></p> <p>(i) The Securities (other than Secured Securities) are unsecured obligations;</p> <p>(ii) Securities including leverage involve a higher level of risk and whenever there are losses on such Securities those losses may be higher than those of a similar security which is not leveraged;</p> <p>(iii) the trading price of the Securities is affected by a number of factors including, but not limited to, (in respect of Securities linked to an Underlying Reference) the price of the relevant Underlying Reference(s), time to redemption and volatility and such factors mean that the trading price of the Securities may be below the Final Redemption Amount or value of the Entitlement;</p> <p>(iv) exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements and, in respect of Securities linked to an Underlying Reference, potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;</p> <p>(v) the collateral associated with one or more series of Secured Securities may be insufficient to fully mitigate a Holder's credit risk on the Issuer;</p> <p>(vi) in respect of Nominal Value Repack Securities, Holders will be exposed to the credit risk on, among others, the Swap Counterparty and the issuer of the relevant Reference Collateral Assets and potential investors are exposed to the performance of these entities and associated hedging arrangements and events that may affect these entities and associated hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;</p>

Element	Title	
		<p>(vii) there are specific risks in relation to Securities linked to an Underlying Reference from an emerging or developing market (including, without limitation, risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation and uncertainties as to status, interpretation and applicable of laws, increased custodian costs and administrative difficulties and higher probability of the occurrence of a disruption or adjustment event). Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. There are also specific risks in relation to dynamic securities which are intrinsically more complex making their evaluation difficult in terms of risk at the time of the purchase as well as thereafter;</p> <p><i>Holder Risks</i></p> <p>(viii) the Securities may have a minimum trading amount and if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to redemption without first purchasing enough additional Securities in order to hold the minimum trading amount;</p> <p>(ix) the meetings of Holders provisions permit defined majorities to bind all Holders;</p> <p>(x) in certain circumstances Holders may lose the entire value of their investment;</p> <p><i>Issuer/Guarantor Risks</i></p> <p>(xi) if so indicated in the Final Terms the Issuer may elect to vary the settlement of the Securities;</p> <p>(xii) a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or Guarantor (if applicable) by a credit rating agency could result in a reduction in the trading value of the Securities;</p> <p>(xiii) certain conflicts of interest may arise (see Element E.4 below);</p> <p>(xiv) in certain circumstances (including, without limitation, as a result of restrictions on currency convertibility and/or transfer restrictions), it may not be possible for the Issuer to make payments in respect of the Securities in the Settlement Currency specified in the applicable Final Terms. In these circumstances, the payment of principal and/or interest may occur at a different time and/or made in USD and the market price of such Securities may be volatile;</p>

Element	Title	
		<p data-bbox="600 315 727 342"><i>Legal Risks</i></p> <p data-bbox="600 378 1445 667">(xv) the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities or early redemption or may result in the amount payable at scheduled redemption being different from the amount expected to be paid at scheduled redemption and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Securities;</p> <p data-bbox="600 703 1445 801">(xvi) in certain circumstances, settlement may be postponed or made in USD if the Settlement Currency specified in the applicable Final Terms is not freely transferable, convertible or deliverable;</p> <p data-bbox="600 837 1406 864">(xvii) expenses and taxation may be payable in respect of the Securities;</p> <p data-bbox="600 900 1445 999">(xviii) the Securities may be redeemed in the case of illegality or impracticability and such redemption may result in an investor not realising a return on an investment in the Securities;</p> <p data-bbox="600 1034 1445 1178">(xix) any judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;</p> <p data-bbox="600 1214 1445 2051">(xx) in certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date, certain specific information (specifically the issue price, fixed Rate of Interest, Minimum Interest Rate and/or Maximum Interest Rate payable, the Margin applied to the floating rate of interest payable, the Gearing applied to the interest or final payout, the Gearing Up applied to the final payout, (in the case of Autocall Securities, Autocall One Touch Securities or Autocall Standard Securities) the FR Rate component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions), the AER Exit Rate used if an Automatic Early Redemption Event occurs, the Bonus Coupon component of the final payout (in the case of Vanilla Digital Securities), the Up Cap Percentage component of the final payout (in the case of Certi-Plus: Generic Securities, Certi-Plus Generic Knock-in Securities and Certi-Plus: Generic Knock-out Securities), any Constant Percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2, Constant Percentage 3 or Constant Percentage 4) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known but the Final Terms will specify an indicative range. In these circumstances, prospective</p>

Element	Title	
		<p>investors will be required to make their decision to purchase Securities on the basis of that range prior to the issue price, actual Rate of Interest, Minimum Interest Rate, Maximum Interest Rate, Margin, Gearing, Gearing Up, FR Rate, AER Exit Rate, Bonus Coupon, Up Cap Percentage, any Constant Percentage, Knock-in Level and/or Knock-out Level, as applicable, which will apply to the Securities being notified to them. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms;</p> <p><i>Secondary Market Risks</i></p> <p>(xxi) the only means through which a Holder can realise value from the Security prior to its Maturity Date is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to wait until redemption of the Securities to realise a greater value than its trading value);</p> <p>(xxii) an active secondary market may never be established or may be illiquid and this may adversely affect the value at which an investor may sell its Securities (investors may suffer a partial or total loss of the amount of their investment);</p> <p>(xxiii) for certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required to act as market-maker. In those circumstances, BNP Paribas Arbitrage S.N.C. will endeavour to maintain a secondary market throughout the life of the Securities, subject to normal market conditions and will submit bid and offer prices to the market. The spread between bid and offer prices may change during the life of the Securities. However, during certain periods, it may be difficult, impractical or impossible for BNP Paribas Arbitrage S.N.C. to quote bid and offer prices, and during such periods, it may be difficult, impracticable or impossible to buy or sell these Securities. This may, for example, be due to adverse market conditions, volatile prices or large price fluctuations, a large marketplace being closed or restricted or experiencing technical problems such as an IT system failure or network disruption;</p> <p><i>Risks Relating to Dual Currency Notes</i></p> <p>(xxiv) There are specific risks applicable to Dual Currency Notes, including, without limitation, exposure to movements in currency exchange rates which may result in significant fluctuations in the value of the Notes, that payment of principal and/or interest, may occur at a different time or in a different currency than expected, that investors will not benefit from favourable changes in exchange rates during the term of the Dual Currency Notes where a pre-determined rate of exchange is applicable, that the market price of such Notes</p>

Element	Title	
		<p>may be volatile, that Holders may need to specify additional information to receive a relevant currency and failure to do so within a prescribed period may result in payments being delayed or, in certain circumstances, the Issuer being discharged from its payment obligations, settlement in the Settlement Currency may result in a lower return than if settlement had been made in the Specified Currency due to the risk on the exchange rate, and that Holders may, in circumstances where it is not possible to make payments of principal and/or interest in the Settlement Currency, receive no interest and they may lose all or a substantial portion of their principal.</p> <p><i>Risks Relating to Underlying Reference Assets(s)</i></p> <p>In addition, there are specific risks in relation to Securities which are linked to an Underlying Reference (including Hybrid Securities) and an investment in such Securities will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Underlying Reference linked Securities include:</p> <ul style="list-style-type: none"> <li>(i) in the case of Index Securities, exposure to one or more index, adjustment events and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</li> <li>(ii) in the case of Share Securities, exposure to one or more share, similar market risks to a direct equity investment, global depository receipt ("<b>GDR</b>") or American depository receipt ("<b>ADR</b>"), potential adjustment events or extraordinary events affecting shares and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</li> <li>(iii) in the case of Commodity Securities, exposure to one or more commodity and/or commodity index, similar market risks to a direct commodity investment, market disruption and adjustment events which may have an adverse effect on the value or liquidity of the Securities, delays to the determination of the final level of a commodity index resulting in delays to the payment of the Final Redemption Amount;</li> <li>(iv) in the case of ETI Securities, exposure to one or more interests in an exchange traded fund, exchange traded note, exchange traded commodity or other exchange traded product (each an "<b>exchange traded instrument</b>"), similar market risks to a direct exchange traded instrument investment, that the amount payable on ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s), potential adjustment events or extraordinary events affecting exchange traded instruments and market disruption or</li> </ul>

Element	Title	
		<p>failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</p> <p>(v) in the case of Inflation Index Securities, exposure to an inflation index and adjustments;</p> <p>(vi) in the case of Currency Securities, exposure to a currency, similar market risks to a direct currency investment and market disruption;</p> <p>(vii) in the case of Fund Securities, exposure to a fund share or unit, similar risks to a direct fund investment, that the amount payable on Fund Securities may be less than the amount payable from a direct investment in the relevant Fund(s), extraordinary fund events which may have an adverse effect on the value or liquidity of the Securities;</p> <p>(viii) in the case of Futures Securities, exposure to a futures contract, similar market risks to a direct futures contract investment, market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</p> <p>(ix) in the case of Credit Securities, exposure to the credit of one or more reference entities;</p> <p>(x) in the case of Underlying Interest Rate Securities, exposure to an underlying interest or CMS rate;</p> <p>(xi) in the case of Debt Securities, exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption;</p> <p>(xii) in the case of Debt Securities or Index Securities where Futures Price Valuation is applicable, exposure to a futures or options contract relating to a synthetic debt instrument (in the case of Debt Securities) or an index (in the case of Index Securities), similar market risks to a direct investment in such futures or options contract and market disruption; and</p> <p>(ix) that unless otherwise specified in the applicable Final Terms the Issuer will not provide post-issuance information in relation to the Underlying Reference.</p> <p><i>Risks relating to specific types of products</i></p> <p>(a) The following risks are associated with SPS Products</p> <p>(i) Fixed Percentage Products</p> <p>Investors receive a fixed return on the Securities. This payout may be used in conjunction with at least one other payout to provide investors with partial or total capital protection.</p>

Element	Title	
		<p>(ii) Reverse Convertible Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in event occurs.</p> <p>(iii) Vanilla Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.</p> <p>(iv) Asian Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s), which is determined using an averaging method. The return will also depend on whether specific features, such as a cap or lock-in, apply.</p> <p>(v) Auto-callable Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in or knock out features apply. Auto-callable Products include automatic early redemption mechanisms. Depending on the applicable formula, if an automatic early redemption event occurs investors may be exposed to a partial loss of their investment.</p> <p>(vi) Indexation Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early redemption features apply. Depending on the applicable formula, if an automatic early redemption event occurs investors may be exposed to a partial loss of their investment.</p> <p>(vii) Ratchet Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the sum of returns determined on a given formula (which can be capped and/or floored).</p> <p>(viii) Sum Products</p> <p>Investors may be exposed to a partial or total loss of their</p>

Element	Title	
		<p>investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the weighted sum of returns determined using different payout formulae.</p> <p>(ix) Option Max Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the maximum return determined by reference to other payout formulae.</p> <p>(x) Stellar Products</p> <p>Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References and is calculated based on the average returns of each Underlying Reference in the basket (which can be capped and/or floored).</p> <p>(xi) Driver Products</p> <p>Investors may be exposed to a partial loss of their investment. The return on the Securities depends on the performance of a basket of Underlying References. The return is determined by reference to the average return of the basket, where the performance of the best performing Underlying Reference(s) is set at a fixed level.</p> <p>(b) The following risks are associated with FI Products</p> <p>(i) Vanilla Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.</p> <p>(ii) Digital Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities is fixed, but will be subject to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including floor or cap conditions and knock-in and/or knock-out features).</p> <p>(iii) Inflation Products</p> <p>Inflation Products are capital protected. The return on the Securities depends on the performance of the Underlying Reference(s).</p>

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

## Section E – Offer

Element	Title	
<b>E.2b</b>	Reasons for the offer and use of proceeds	<p><i>In the case of Securities (other than Nominal Value Repack Securities issued by BNPP B.V.):</i></p> <p>The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.</p> <p><i>In the case of Nominal Value Repack Securities issued by BNPP B.V.:</i></p> <p>The net proceeds from the issue of the Securities will be used by BNPP B.V. to enter into and/or make payments under the Swap Agreement or other hedging instruments.</p> <p><i>In the case of Securities issued by BP2F:</i></p> <p>The net proceeds from each issue of Securities by BP2F will be applied by BP2F for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.</p>
<b>E.3</b>	Terms and conditions of the offer	<p>Under this Base Prospectus, the Securities may be offered to the public in a Non-Exempt Offer in France and Portugal.</p> <p>The terms and conditions of each offer of Securities will be determined by agreement between the Issuer and the relevant Managers at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any Securities in a Non-exempt Offer from an Authorised Offeror will do so, and offers and sales of such Securities to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.</p>
<b>E.4</b>	Interest of natural and legal persons involved in the issue/offer	<p>The relevant Managers may be paid fees in relation to any issue of Securities under this Base Prospectus. Any such Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor (if any) and their affiliates in the ordinary course of business.</p> <p>Various entities within the BNPP Group (including the Issuers and Guarantors) and Affiliates may undertake different roles in connection with the Securities, including Issuer of the Securities, Calculation Agent of the Securities, issuer, sponsor or calculation agent of the Underlying Reference(s), Swap Counterparty, Repo Counterparty, Collateral Exchange Counterparty and may also engage in trading activities (including hedging activities) relating to the Underlying Reference and other instruments or derivative products based on or relating to the Underlying Reference which</p>

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

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

## RÉSUMÉ DU PROGRAMME

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

### Section A - Introduction et avertissements

Elément	Description de l'Elément	
A.1	Avertissement général selon lequel le résumé doit être lu comme une introduction et disposition relatives aux actions en justice	<ul style="list-style-type: none"> <li>• <b>Le présent résumé doit être lu comme une introduction au Prospectus de Base et aux Conditions Définitives applicables. Dans ce résumé, sauf précision contraire et à l'exception de l'utilisation qui en est faite au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V., et BP2F en date du 9 juin 2016 tel que modifié ou complété à tout moment par le Programme d'Obligations, de Warrants et de Certificats de BNPP B.V., BNPP et BP2F. Au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BP2F en date du 9 juin 2016.</b></li> <li>• <b>Toute décision d'investir dans les Titres concernés doit être fondée sur un examen exhaustif du Prospectus de Base dans son ensemble, y compris tous documents incorporés par référence et les Conditions Définitives applicables.</b></li> <li>• <b>Lorsqu'une action concernant l'information contenue dans le Prospectus de Base et les Conditions Définitives applicables est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale de l'Etat Membre où l'action est intentée, avoir à supporter les frais de traduction de ce Prospectus de Base et des Conditions Définitives applicables avant le début de la procédure judiciaire.</b></li> <li>• <b>Aucune responsabilité civile ne sera recherchée auprès de l'Emetteur ou du Garant (le cas échéant) dans cet Etat Membre sur la seule base du présent résumé, y compris sa traduction, à moins que le contenu du résumé ne soit jugé trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base et des Conditions Définitives applicables, ou, une fois les dispositions de la Directive 2010/73/UE transposées dans cet Etat Membre, à moins qu'il ne fournisse pas, lu en combinaison avec les autres parties du</b></li> </ul>

Elément	Description de l'Elément	
		<p align="center"><b>Prospectus de Base et des Conditions Définitives applicables, les informations clés (telles que définies à l'Article 2.1(s) de la Directive Prospectus) permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres.</b></p>
<p><b>A.2</b></p>	<p>Consentement à l'utilisation du Prospectus de Base, période de validité et autres conditions y afférentes</p>	<p>Certaines émissions de Titres d'une valeur nominale inférieure à 100.000 EUR (ou l'équivalent dans toute autre devise) peuvent être offertes dans des circonstances où il n'existe aucune exemption à l'obligation de publier un prospectus en vertu de la Directive Prospectus. Une telle offre est désignée comme une "<b>Offre Non-exemptée</b>". Sous réserve des conditions mentionnées ci-dessous, l'Emetteur consent à l'utilisation du présent Prospectus de Base pour les besoins de la présentation d'une Offre Non-exemptée de Titres par les Agents Placeurs, tout intermédiaire désigné comme un Offreur Autorisé dans les Conditions Définitives applicables et tout intermédiaire financier dont le nom est publié sur le site Internet de BNPP (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) (en cas de Titres émis par BNPP B.V.), ou sur le site Internet de BP2F (<a href="http://www.bp2f.lu">www.bp2f.lu</a>) et le site Internet de BNPPF (<a href="http://www.bnpparibasfortis.be/emissions">www.bnpparibasfortis.be/emissions</a>) (en cas de Titres émis par BP2F) qui est identifié comme un Offreur Autorisé au titre de l'Offre Non-exemptée concernée ainsi que (si « Consentement Général » est spécifié dans les Conditions Définitives applicables) tout intermédiaire financier qui est habilité à faire de telles offres en vertu de la législation applicable transposant la Directive concernant les marchés d'instruments financiers (Directive 2004/39/CE), à condition que l'intermédiaire financier en question publie sur son site Internet la déclaration suivante (les passages entre crochets devant être dûment complétés par les informations pertinentes) :</p> <p><i>"Nous, [indiquer la dénomination de l'intermédiaire financier], nous référons à l'offre des [indiquer l'intitulé des Titres concernés] (les "<b>Titres</b>") décrits dans les Conditions Définitives en date du [indiquer la date] (les "<b>Conditions Définitives</b>") publiées par [ ] (l'"<b>Emetteur</b>"). En considération de l'offre faite par l'Emetteur de consentir à notre utilisation du Prospectus de Base (tel que défini dans les Conditions Définitives) en relation avec l'offre des Titres dans les Juridictions d'Offre Non-exemptée spécifiées dans les Conditions Définitives applicables durant la Période d'Offre et sous réserve des autres conditions auxquelles ce consentement est soumis, telles qu'elles sont chacune définies dans le Prospectus de Base, nous acceptons par les présentes l'offre faite par l'Emetteur conformément aux Conditions de l'Offre Autorisée (telles que précisées dans le Prospectus de Base) et confirmons que nous utilisons le Prospectus de Base en conséquence."</i></p> <p><i>Période d'Offre</i> : Le consentement de l'Emetteur visé ci-dessus est donné pour des Offres Non-exemptées de Titres pendant la Période d'Offre spécifiée dans les Conditions Définitives applicables.</p> <p><i>Conditions du consentement</i> : Les conditions du consentement de l'Emetteur (outre les conditions visées ci-dessus) sont telles que ce consentement (a)</p>

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

#### Section B - Emetteurs et Garants

Elément	Description de l'Elément	
<b>B.1</b>	Raison sociale et nom commercial de l'Emetteur	Les Titres peuvent être émis en vertu de ce Prospectus de Base en vertu du Programme relatif aux Obligations, Warrants et Certificats par BNP Paribas Arbitrage Issuance B.V. (" <b>BNPP B.V.</b> ") ou BNP Paribas Fortis Funding (" <b>BP2F</b> ", et avec BNPP B.V., chacun un " <b>Emetteur</b> ").
<b>B.2</b>	Domicile/ forme juridique/ législation/ pays de constitution	<ul style="list-style-type: none"> <li>• BNPP B.V. a été constitué aux Pays-Bas sous la forme d'une société non cotée en bourse à responsabilité limitée de droit néerlandais, et son siège social est situé Herengracht 595, 1017 BV Amsterdam, Pays-Bas ; et</li> <li>• BP2F a été constitué au Grand-Duché de Luxembourg sous la forme d'une société anonyme de droit luxembourgeois, et son siège social est situé 19, rue Eugène Ruppert, L-2453 Luxembourg, Grand-Duché de Luxembourg.</li> </ul>
<b>B.4b</b>	Informations sur les tendances	<p><i>Concernant BP2F :</i></p> <p><b>Conditions Macroéconomiques</b></p> <p>L'environnement de marché et macroéconomique affecte les résultats de BP2F. Compte tenu de la nature de son activité, BP2F est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont</p>

Elément	Description de l'Elément	
		<p>connu des perturbations au cours des dernières années.</p> <p>En 2015, l'activité économique mondiale est restée modérée. Dans les pays émergents, l'activité a ralenti tandis qu'une reprise modeste s'est poursuivie dans les pays développés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, la baisse des prix de l'énergie et d'autres produits de base et un premier durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente tandis que les banques centrales de plusieurs grands pays développés continuent d'assouplir leur politique monétaire. Les prévisions économiques du FMI pour l'année 2016 tablent sur une reprise progressive de l'activité mondiale, mais avec de faibles perspectives de croissance à moyen terme dans les pays développés et dans les pays émergents.</p> <p>BP2F est dépendante de BNPPF. BP2F est détenue à 99,995% par BNPPF et est spécifiquement impliquée dans l'émission de titres tels que les Obligations, Warrants ou Certificats ou les autres titres de créances qui sont développés, mis en place et vendus auprès des investisseurs via des intermédiaires, y compris BNPPF. BP2F conclut des opérations de couverture avec BNPPF et avec d'autres entités du Groupe BNP Paribas. Dès lors, les Informations sur les Tendances relatives à BNPPF doivent également s'appliquer à BP2F. BP2F peut également conclure des opérations de couverture avec un tiers n'appartenant pas au Groupe BNP Paribas.</p> <p><i>Concernant BNPP B.V.:</i></p> <p>BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou d'autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNPP (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture auprès de BNP Paribas et d'entités de BNP Paribas tel que décrit dans l'Elément D.2 ci-dessous. Par conséquent, les Informations sur les tendances décrites pour BNPP doivent également s'appliquer à BNPP B.V.</p>
<b>B.5</b>	Description du Groupe	<p>BNPP est un leader européen des services bancaires et financiers et possède quatre marchés domestiques de banque de détail en Europe: la Belgique, la France, l'Italie et le Luxembourg. Il est présent dans 75 pays et compte plus de 189.000 collaborateurs, dont près de 147.000 en Europe. BNPP est la société mère du Groupe BNP Paribas (ensemble le "<b>Groupe BNPP</b>").</p> <ul style="list-style-type: none"> <li>• BNPP B.V. est une filiale intégralement détenue par BNPP.</li> <li>• BP2F est une filiale de BNP Paribas Fortis SA/NV ("<b>BNPPF</b>") et agit en qualité de véhicule financier de BNPPF et des sociétés contrôlées par BNPPF.</li> </ul>

Elément	Description de l'Elément																																														
<b>B.9</b>	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant l'Emetteur au sein du Prospectus de Base sur lequel ce Résumé porte.																																													
<b>B.10</b>	Réserves contenues dans le rapport d'audit	Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.																																													
<b>B.12</b>	<p>Informations financières historiques clés sélectionnées :</p> <p><b>En relation avec BNPP B.V. :</b></p> <p><b>Données Financières Annuelles Comparées - En EUR</b></p> <table border="1"> <thead> <tr> <th></th> <th>31/12/2015 (auditées)</th> <th>31/12/2014 (auditées)</th> </tr> </thead> <tbody> <tr> <td>Produit Net Bancaire</td> <td>315.558</td> <td>432.263</td> </tr> <tr> <td>Résultat Net, part du Groupe</td> <td>19.786</td> <td>29.043</td> </tr> <tr> <td>Total du bilan</td> <td>43.042.575.328</td> <td>64.804.833.465</td> </tr> <tr> <td>Capitaux Propres (part du Groupe)</td> <td>464.992</td> <td>445.206</td> </tr> </tbody> </table> <p><b>En relation avec BP2F :</b></p> <p><b>Données Financières Annuelles Comparées:</b></p> <table border="1"> <thead> <tr> <th></th> <th>31/12/2015 (auditées)</th> <th>31/12/2014 (auditées)</th> </tr> </thead> <tbody> <tr> <td></td> <td>EUR</td> <td>EUR</td> </tr> <tr> <td><b>Postes sélectionnés du Bilan</b></td> <td></td> <td></td> </tr> <tr> <td><i>Actif</i></td> <td></td> <td></td> </tr> <tr> <td>Actifs immobilisés financiers (Montants détenus par des entreprises affiliées)</td> <td>5.330.470.858</td> <td>5.470.070.451</td> </tr> <tr> <td>Actifs courants (Montants dus par des entreprises affiliées venant à échéance à moins d'un an)</td> <td>220.350.482</td> <td>415.475.284</td> </tr> <tr> <td>Total de l'actif</td> <td>5.635.897.265</td> <td>5.977.141.866</td> </tr> <tr> <td><i>Passif</i></td> <td></td> <td></td> </tr> <tr> <td>Capital et réserves</td> <td>5.588.465</td> <td>6.691.167</td> </tr> <tr> <td>Dettes subordonnées</td> <td>960.621.698</td> <td>1.233.153.404</td> </tr> </tbody> </table>			31/12/2015 (auditées)	31/12/2014 (auditées)	Produit Net Bancaire	315.558	432.263	Résultat Net, part du Groupe	19.786	29.043	Total du bilan	43.042.575.328	64.804.833.465	Capitaux Propres (part du Groupe)	464.992	445.206		31/12/2015 (auditées)	31/12/2014 (auditées)		EUR	EUR	<b>Postes sélectionnés du Bilan</b>			<i>Actif</i>			Actifs immobilisés financiers (Montants détenus par des entreprises affiliées)	5.330.470.858	5.470.070.451	Actifs courants (Montants dus par des entreprises affiliées venant à échéance à moins d'un an)	220.350.482	415.475.284	Total de l'actif	5.635.897.265	5.977.141.866	<i>Passif</i>			Capital et réserves	5.588.465	6.691.167	Dettes subordonnées	960.621.698	1.233.153.404
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Elément	Description de l'Elément		
	Dettes non subordonnées		
	Prêts non-convertibles		
	- à moins d'un an	1.134.209.104	358.648.783
	- à plus d'un an	3.121.497.621	3.808.557.061
	<b>Compte de Résultat : postes sélectionnés</b>		
	Produits d'immobilisations financières générés par des entreprises affiliées	114.658.978	128.272.799
	Résultat	454.645.617	431.761.255
	Intérêts et autres charges financières	42.146.066	401.166.435
	Bénéfice de l'exercice	677.298	844.457
	<p><b><i>Déclarations relatives à l'absence de changement significatif ou de changement défavorable significatif</i></b></p> <p>Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés). Il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP ou du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).</p> <p>Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale de BNPP B.V. ou BP2F depuis le 31 décembre 2015 et il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP B.V ou BP2F depuis le 31 décembre 2015.</p>		
<b>B.13</b>	Evénements impactant la solvabilité de l'Emetteur	Sans objet, à la date de ce Prospectus de Base et à la connaissance de l'Emetteur, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur depuis le 31 décembre 2015.	

Elément	Description de l'Elément	
B.14	Dépendance à l'égard d'autres entités du groupe	<p>Chacun de BNPP B.V. et BP2F est dépendant des autres membres du Groupe BNPP.</p> <p>En avril 2004 est entrée en fonctionnement la co-entreprise « BNP Paribas Partners for Innovation » (BP<sup>2</sup>I) qui, constituée avec IBM France fin 2003, délivre des services d'infrastructure de production informatique pour BNP Paribas SA et plusieurs de ses filiales françaises (BNP Paribas Personal Finance, BP2S, BNP Paribas Cardif...) ou européennes (Suisse, Italie). Mi-décembre 2011, le dispositif contractuel avec IBM France a été renouvelé et prorogé jusqu'à fin 2017. Fin 2012, un accord a été conclu en étendant ce dispositif à BNP Paribas Fortis en 2013.</p> <p>BP<sup>2</sup>I est placée sous le contrôle opérationnel d'IBM France ; BNP Paribas exerce une forte influence sur cette entité qu'elle détient à parts égales avec IBM France : les personnels de BNP Paribas mis à disposition de BP<sup>2</sup>I composent la moitié de son effectif permanent, les bâtiments et centres de traitement sont la propriété du Groupe, la gouvernance mise en œuvre garantit contractuellement à BNP Paribas une surveillance du dispositif et sa réintégration au sein du Groupe si nécessaire.</p> <p>ISFS, société détenue à 100 % par le groupe IBM, assure également des services d'infrastructure de production informatique pour BNP Paribas Luxembourg.</p> <p>La production informatique de BancWest est assurée par un fournisseur externe : Fidelity Information Services. La production informatique de Cofinoga France est assurée par SDDC, société détenue à 100 % par IBM.</p> <p>BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNPP (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture auprès de BNP Paribas et d'entités de BNP Paribas tel que décrit dans l'Elément D.2 ci-dessous.</p> <p>Les Infrastructures Informatiques de BGL ont une certaine dépendance avec d'autres entités au sein du Groupe BNPP qui peut être résumée comme suit :</p> <ul style="list-style-type: none"> <li>• L'activité <i>corporate and institutional banking</i> (CIB) de BGL partage la plupart de ses plateformes d'Infrastructures Informatiques de ses <i>back</i> et <i>front office</i> avec BNPP ; et</li> <li>• D'autres lignes d'activités et fonctions partagent différentes plateformes avec d'autres entités du Groupe BNPP, mais pas nécessairement au même niveau que l'activité CIB.</li> </ul> <p>Voir également l'Elément B.5 ci-dessus.</p>

Elément	Description de l'Elément	
<b>B.15</b>	Principales activités	<ul style="list-style-type: none"> <li>• BNPP B.V. a pour activité principale d'émettre et/ou d'acquérir des instruments financiers de toute nature et de conclure des contrats à cet effet pour le compte de différentes entités au sein du Groupe BNPP.</li> <li>• BP2F a pour objet principal de consentir des prêts à BNPPF et ses affiliés. Pour réaliser son objet principal, BP2F peut émettre des obligations ou titres similaires, contracter des emprunts, avec ou sans garantie et, en général, avoir recours à toutes sources de financement. BP2F peut réaliser toute opération qu'il juge nécessaire à l'exercice et au développement de son activité, tout en restant dans les limites de la loi luxembourgeoise du 10 août 1915 sur les sociétés commerciales (telle que modifiée).</li> </ul>
<b>B.16</b>	Actionnaires de contrôle	<ul style="list-style-type: none"> <li>• BNP Paribas détient 100% du capital social de BNPP B.V.</li> <li>• BNPPF détient 99,995% du capital social de BP2F.</li> </ul>
<b>B.17</b>	Notations de crédit sollicitées	<p>Les notations de crédit à long terme de BNPP B.V. sont: A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS) et les notations à court terme de BNPP B.V. sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS).</p> <p>Les notations de crédit à long terme de BP2F sont : A (Standard &amp; Poor's Credit Market Services France SAS), A2 avec perspective stable (Moody's France SAS) et A+ avec une perspective stable (Fitch Ratings Limited) et les notations à court terme de BP2F sont : A-1 (Standard &amp; Poor's), P-1 (Moody's France SAS) et F1 (Fitch Ratings Limited).</p> <p>Les Titres émis dans le cadre du Programme pourront ou non faire l'objet d'une notation.</p> <p>Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.</p>
<b>B.18</b>	Description de la Garantie	<p>Les Titres non Assortis de Sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'un acte de garantie relatif aux Titres non assortis de sûretés de droit anglais signé par BNPP le 10 juin 2016, ou une date approchante. Les obligations en vertu de la garantie sont des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP et viennent et viendront au même rang entre elles et au moins au même rang que toutes les autres dettes directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi). Dans le cas où BNPP fait l'objet d'un renflouement interne mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus</p>

Elément	Description de l'Elément	
		<p>par BNPP, au titre de la garantie, devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).</p> <p>Les Titres émis par BP2F seront inconditionnellement et irrévocablement garantis par BNPPF en vertu d'un acte de garantie de droit anglais signé par BNPPF le 10 juin 2016, ou une date approchante. Les obligations en vertu de la garantie sont des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPPF et viennent et viendront au même rang entre elles (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi), et au moins au même rang que toutes les autres dettes présentes et futures non assorties de sûretés et non subordonnées de BNPPF.</p> <p>Les Titres Assortis de Sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'un acte de garantie de droit anglais relatif aux Titres Assortis de Sûretés signé par BNPP le 10 juin 2016, ou une date approchante. Les obligations en vertu de la garantie sont des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP et viennent et viendront au même rang entre elles et au moins au même rang que toutes les autres dettes directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi). Dans le cas où BNPP fait l'objet d'un renflouement interne mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au titre de la garantie, devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).</p>
<b>B.19</b>	Informations concernant le Garant	
<b>B.19/ B.1</b>	Raison sociale et nom commercial du Garant	BNP Paribas (" <b>BNPP</b> " ou la " <b>Banque</b> "), dans le cas de Titres émis par BNPP B.V.. BNP Paribas Fortis SA/NV, agissant sous le nom commercial de BNP Paribas Fortis (" <b>BNPPF</b> "), dans le cas de Titres émis par BP2F.
<b>B.19/ B.2</b>	Domicile/ forme juridique/ législation/ pays de constitution	<ul style="list-style-type: none"> <li>• BNPP a été constitué en France sous la forme d'une société anonyme de droit français et agréé en qualité de banque, dont le siège social est situé 16, boulevard des Italiens – 75009 Paris, France ; et</li> <li>• BNPPF a été constitué sous la forme d'une société anonyme faisant appel public à l'épargne de droit belge ("<i>naamloze</i>")</li> </ul>

Elément	Description de l'Elément	
		<p><i>vennootschap</i>"), dont le siège social est situé à Montagne du Parc 3, 1000 Bruxelles, Belgique et est un établissement de crédit régi par la Loi Belge du 25 avril 2014 relative au statut et au contrôle des établissements de crédit (la "<b>Loi Bancaire Belge</b>").</p>
<p><b>B.19/ B.4b</b></p>	<p>Informations sur les tendances</p>	<p><b><i>En ce qui concerne BNPP :</i></b></p> <p><b><i>Conditions Macroéconomiques.</i></b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de BNPP. Compte tenu de la nature de son activité, BNPP est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p> <p>En 2015, l'activité économique mondiale est restée modérée. Dans les pays émergents, l'activité a ralenti tandis qu'une reprise modeste s'est poursuivie dans les pays développés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, la baisse des prix de l'énergie et d'autres produits de base et un premier durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente tandis que les banques centrales de plusieurs grands pays développés continuent d'assouplir leur politique monétaire. Les prévisions économiques du FMI pour l'année 2016<sup>4</sup> tablent sur une reprise progressive de l'activité mondiale, mais avec de faibles perspectives de croissance à moyen terme dans les pays développés et dans les pays émergents. Dans ce contexte, on peut souligner les deux risques suivants :</p> <p><i>Instabilité financière liée à la vulnérabilité des pays émergents</i></p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2015, dans les économies de nombreux pays émergents, une augmentation des engagements en devises alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre 2015) ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ce qui précède pourrait conduire à des dégradations de notations souveraines.</p> <p>Dans un contexte de possible normalisation des primes de risque, il existe un</p>

<sup>4</sup> Voir notamment : FMI – Rapport sur la stabilité financière dans les pays avancés Octobre 2015 et mis à jour au mois de janvier 2016

Elément	Description de l'Elément	
		<p>risque de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui affecteraient l'ensemble des établissements bancaires.</p> <p><i>Risques systémiques liés à la conjoncture et à la liquidité de marché</i></p> <p>La prolongation d'une situation de taux exceptionnellement bas peut favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, asset managers, etc.) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement fragile.</p> <p>De telles tensions sur la liquidité pourraient être exacerbées par l'augmentation récente du volume des actifs sous gestion confiés à des structures investissant dans des actifs peu liquides.</p> <p><b><i>Législation et réglementations applicables aux institutions financières</i></b></p> <p>Les évolutions récentes et à venir des législations et réglementations applicables aux institutions financières peuvent avoir un impact significatif sur BNPP. Les mesures adoptées récemment ou qui sont (ou dont les mesures d'application sont) encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPP, comprennent notamment :</p> <ul style="list-style-type: none"> <li>- les réformes dites structurelles comprenant la loi bancaire française du 26 juillet 2013, imposant aux banques une filialisation ou séparation des opérations dites « spéculatives » qu'elles effectuent pour compte propre de leurs activités traditionnelles de banque de détail, la « règle Volcker » aux États-Unis qui restreint la possibilité des entités bancaires américaines et étrangères de conduire des opérations pour compte propre ou de sponsoriser ou d'investir dans les fonds de capital investissement (« <i>private equity</i> ») et les <i>hedge funds</i>, ainsi que les évolutions possibles attendues en Europe ;</li> <li>- les réglementations sur les fonds propres : CRD IV/CRR, le standard international commun de capacité d'absorption des pertes (« <i>total-loss absorbing capacity</i> » ou « <b>TLAC</b> »), et la désignation de BNPP en tant qu'institution financière d'importance systémique par le Conseil de Stabilité Financière ;</li> <li>- le Mécanisme européen de Surveillance Unique ainsi que</li> </ul>

Elément	Description de l'Elément	
		<p>l'ordonnance du 6 novembre 2014 ;</p> <ul style="list-style-type: none"> <li>- la Directive du 16 avril 2014 relative aux systèmes de garantie des dépôts et ses actes délégués et actes d'exécution, la Directive du 15 mai 2014 établissant un cadre pour le Redressement et la Résolution des Banques, le Mécanisme de Résolution Unique instituant le Conseil de Résolution Unique et le Fonds de Résolution Unique ;</li> <li>- le Règlement final de la Réserve Fédérale des États-Unis imposant des règles prudentielles accrues pour les opérations américaines des banques étrangères de taille importante, notamment l'obligation de créer une société holding intermédiaire distincte située aux États-Unis (capitalisée et soumise à régulation) afin de détenir les filiales américaines de ces banques ;</li> <li>- Les nouvelles règles pour la régulation des activités de dérivés négociés de gré à gré au titre du Titre VII du <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (notamment les exigences de marge pour les produits dérivés non compensés et pour les produits dérivés sur titres conclus par les banques actives sur les marchés de dérivés (« <i>swap dealers</i> »), les principaux intervenants non bancaires sur les marchés de dérivés (« <i>major swap participants</i> »), les banques actives sur les marchés de dérivés sur titres (« <i>security-based swap dealers</i> ») et les principaux intervenants non-bancaires sur les marchés de dérivés sur titres (« <i>major security-based swap participants</i> »), ainsi que les règles de la <i>U.S. Securities and Exchange Commission</i> imposant l'enregistrement des banques actives sur les marchés de dérivés sur titres et des principaux intervenants non-bancaires sur les marchés de dérivés sur titres ainsi que les obligations de transparence et de reporting des transactions de dérivés sur titres ;</li> <li>- la nouvelle directive et le règlement Marché d'instruments financiers (MiFID et MiFIR), ainsi que les réglementations européennes sur la compensation de certains produits dérivés négociés de gré-à-gré par des contreparties centrales et la déclaration des opérations de financement sur titres auprès de référentiels centraux.</li> </ul> <p><i>Cyber-risque</i></p> <p>Au cours des années passées, les institutions du secteur financier ont été touchées par nombre de cyber incidents, notamment par des altérations à grande échelle de données compromettant la qualité de l'information financière. Ce risque perdure aujourd'hui et BNPP, tout comme d'autres établissements bancaires s'est mise en ordre de marche afin de mettre en place des dispositifs permettant de faire face à des cyber attaques propres à détruire ou à endommager des données et des systèmes critiques et à gêner la bonne conduite des opérations. Par ailleurs, les autorités réglementaires et de supervision prennent des initiatives visant à promouvoir l'échange</p>

Elément	Description de l'Elément	
		<p>d'informations en matière de cyber sécurité et de cyber criminalité, à améliorer la sécurité des infrastructures technologiques et à mettre en place des plans efficaces de rétablissement consécutifs à un cyber incident.</p> <p><b>En ce qui concerne BNPPF :</b></p> <p><b>Conditions Macroéconomiques.</b></p> <p>L'environnement de marché et macroéconomique affecte les résultats de BNPPF. Compte tenu de la nature de son activité, BNPPF est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p> <p>En 2015, l'activité économique mondiale est restée modérée. Dans les pays émergents, l'activité a ralenti tandis qu'une reprise modeste s'est poursuivie dans les pays développés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, la baisse des prix de l'énergie et d'autres produits de base et un premier durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente tandis que les banques centrales de plusieurs grands pays développés continuent d'assouplir leur politique monétaire. Les prévisions économiques du FMI pour l'année 2016<sup>5</sup> tablent sur une reprise progressive de l'activité mondiale, mais avec de faibles perspectives de croissance à moyen terme dans les pays développés et dans les pays émergents.</p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2015, dans les économies de nombreux pays émergents, une augmentation des engagements en devises alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre 2015) ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ce qui précède pourrait conduire à des dégradations de notations souveraines.</p> <p>Dans un contexte de possible normalisation des primes de risque, il existe un risque de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la</p>

<sup>5</sup> Voir notamment : FMI – Rapport sur la stabilité financière dans les pays avancés Octobre 2015 et mis à jour au mois de janvier 2016

Elément	Description de l'Elément	
		<p>liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui affecteraient l'ensemble des établissements bancaires.</p> <p>La prolongation d'une situation de taux exceptionnellement bas peut favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, <i>asset managers</i>, etc) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement fragile.</p> <p>De telles tensions sur la liquidité pourraient être exacerbées par l'augmentation récente du volume des actifs sous gestion confiés à des structures investissant dans des actifs peu liquides.</p> <p><b><i>Législation et Réglementations Applicables aux Institutions Financières.</i></b></p> <p>La législation et les réglementations applicables aux institutions financières qui ont un impact sur BNPPF connaissent une évolution significative dans le sillage de la crise financière globale. Les mesures qui ont été proposées et/ou adoptées au cours des dernières années comprennent des exigences plus strictes en matière de capital et de liquidité (notamment pour les grands groupes bancaires tels que le Groupe BNP Paribas), des taxes sur les transactions financières, des restrictions et des taxes sur la rémunération des salariés, des limitations des activités que les banques commerciales peuvent exercer et la séparation au sein de filiales dédiées, voire l'interdiction, de certaines activités considérées comme spéculatives, des restrictions sur certains types de produits financiers, des exigences accrues en matière de contrôle interne et de transparence, des règles de conduite des affaires plus strictes, la compensation et un <i>reporting</i> obligatoires des opérations sur instruments dérivés, des obligations de limiter les risques relatifs aux dérivés OTC et la création de nouvelles autorités réglementaires ou le renforcement des autorités réglementaires existantes.</p> <p>Les mesures adoptées récemment ou encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPPF, comprennent notamment la Directive et le Règlement sur les fonds propres réglementaires dits « CRD 4 », du 26 juin 2013 et dont un nombre important de dispositions sont applicables depuis le 1er janvier 2014, les projets de normes techniques de réglementation et d'exécution relatives à la Directive et au Règlement CRD 4 élaborées par l'EBA, la Loi Bancaire belge du 25 avril 2014 remplaçant la loi précédente de 1993 et introduisant d'importants changements : l'Arrêté Royal belge du 22 février 2015, fixant la date d'entrée en vigueur des dispositions de la Loi Bancaire belge relative à la résolution (y compris la mise en place du Collège de Résolution Belge) et créant deux droits préférentiels sur</p>

Elément	Description de l'Elément	
		<p>les actifs mobiliers de la banque ; l'Arrêté Royal belge du 18 décembre 2015 modifiant la loi du 25 avril 2014 relative au statut et au contrôle des établissements de crédit et l'Arrêté Royal belge du 26 décembre 2015 modifiant la loi relative au statut et au contrôle des établissements de crédit concernant le redressement et la résolution des défaillances de groupes ; la consultation sur la réforme structurelle du secteur bancaire de l'Union Européenne de 2013 et la proposition de la Commission Européenne de réforme structurelle du secteur bancaire européen du 29 janvier 2014 ; la proposition de Règlement concernant les indices utilisés comme indices de référence dans le cadre d'instruments et de contrats financiers ; le Mécanisme de Supervision Unique européen ; le Mécanisme de Résolution Unique européen daté du 15 juillet 2014 et la Directive européenne sur le Redressement et la Résolution des Banques en date du 15 mai 2014 ; la Directive Européenne relative aux systèmes de garantie des dépôts (refonte) en date du 16 avril 2014 ; le règlement final concernant les banques étrangères relatif à certaines exigences en matière de liquidités, fonds propres et autres éléments prudentiels adopté par la Réserve Fédérale des États-Unis, la proposition de la Réserve Fédérale concernant les ratios de liquidité des banques de taille importante ainsi que la Règle « Volcker » sur l'encadrement des investissements dans les <i>hedge funds</i> et les fonds de capital investissement, ou de leur <i>sponsorship</i>, ainsi que des opérations de négociation pour comptes propres, récemment adoptée par les autorités de régulation américaines. Au-delà de ces mesures, l'investisseur doit être conscient qu'à tout moment les autorités réglementaires, prudentielles ou politiques de tout pays sont susceptibles de prendre de nouvelles décisions impactant les banques ou le système financier dans son ensemble et dont l'effet sur BNPPF peut être significatif.</p>
<b>B.19/B.5</b>	Description du Groupe	<p>BNPP est un leader européen des services bancaires et financiers et possède quatre marchés domestiques de banque de détail en Europe : la Belgique, la France, l'Italie et le Luxembourg. Il est présent dans 75 pays et compte plus de 189.000 collaborateurs, dont près de 147.000 en Europe. BNPP est la société mère du Groupe BNP Paribas (ensemble le "<b>Groupe BNPP</b>").</p> <p>BNPPF est une filiale de BNP Paribas.</p>
<b>B.19/B.9</b>	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant le Garant au sein du Prospectus de Base sur lequel ce Résumé porte.
<b>B.19/B.10</b>	Réserves contenues dans le rapport d'audit	Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.
<b>B.19/B.12</b>	Informations financières historiques clés sélectionnées :	<p><b>En relation avec BNPP :</b></p> <p><b>Données Financières Annuelles Comparées - En millions d'EUR</b></p>

Elément	Description de l'Elément		
		<b>31/12/2015 (auditées)</b>	<b>31/12/2014*(auditées)</b>
	Produit Net Bancaire	42.938	39.168
	Coût du Risque	(3.797)	(3.705)
	Résultat Net, part du Groupe	6.694	157
		<b>31/12/2015</b>	<b>31/12/2014*</b>
	Ratio Common Equity Tier 1 (Bâle 3 pleinement applicable, CRD4)	10,9%	10,3%
		<b>31/12/2015 (auditées)</b>	<b>31/12/2014*(auditées)</b>
	Total du bilan consolidé	1.994.193	2.077.758
	Total des prêts et créances sur la clientèle consolidé	682.497	657.403
	Total des dettes envers la clientèle consolidé	700.309	641.549
	Capitaux Propres (part du Groupe)	96.269	89.458
<i>* Données retraitées par application de l'interprétation IFRIC 21.</i>			
<b>Données Financières IntermédiaIRES Comparées – En millions d'EUR</b>			
		<b>1Q2016</b>	<b>1Q2015</b>
		<b>(non auditées)</b>	<b>(non auditées)</b>
	Produit Net Bancaire	10.844	11.065
	Coût du Risque	(757)	(1.044)
	Résultat Net, part du Groupe	1.814	1.648
		<b>31/03/2016</b>	<b>31/12/2015</b>
	Ratio Common Equity Tier 1 (Bâle 3 pleinement appliqué, CRD4)	11,0%	10,9%
		<b>31/03/2016</b>	<b>31/12/2015</b>
		<b>(non auditées)</b>	<b>(auditées)</b>
	Total du bilan consolidé	2.121.021	1.994.193
	Total des prêts et créances sur la clientèle consolidé	691.620	682.497

Elément	Description de l'Elément		
	Total des dettes envers la clientèle consolidé	710.173	700.309
	Capitaux Propres (part du Groupe)	98.549	96.269
<b>En relation avec BNPPF :</b>			
<b>Données Financières Annuelles Comparées - En millions d'EUR</b>			
		<b>31/12/2015 (auditées)</b>	<b>31/12/2014*(auditées)</b>
	Produit Net Bancaire	7.235	7.011
	Coût du Risque	(431)	(283)
	Résultat net	2.016	1.663
	Résultat Net attribuable aux actionnaires	1.575	1.246
	Total du bilan consolidé	273.683	275.206
	Capitaux Propres	18.754	20.255
	Total des prêts et créances sur la clientèle consolidé	176.640	166.851
	Total des dettes envers la clientèle consolidé	176.161	167.800
	Capitaux Tier 1	18.401	18.840
	Ratio Tier 1	14,4%	14,7%
	Total des Capitaux	21.215	21.349
	Ratio d'Adéquation des Fonds Propres	16,6%	16,6%
* Les données pour 2014 ont été retraitées conformément aux normes IFRIS 21.			
<b><i>Déclarations relatives à l'absence de changement significatif ou de changement défavorable significatif</i></b>			
Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).			
Il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP ou du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).			

Elément	Description de l'Elément	
		Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale de BNPPF depuis le 31 décembre 2015 et il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPPF depuis le 31 décembre 2015.
<b>B.19/ B.13</b>	Evénements impactant la solvabilité du Garant	Sans objet, à la date de ce Prospectus de Base et à la connaissance du Garant concerné, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité du Garant concerné depuis le 31 décembre 2015.
<b>B.19/ B.14</b>	Dépendance à l'égard d'autres entités du Groupe	Sous réserve de l'Elément B.14 ci-dessus, BNPP n'est pas dépendant des autres membres du Groupe BNPP. BNPPF est dépendant des autres membres du Groupe BNPP. Voir également Elément B.5 ci-dessus.
<b>B.19/ B.15</b>	Principales Activités	<p>BNP Paribas détient des positions clés dans ses deux domaines d'activité:</p> <ul style="list-style-type: none"> <li>• <b><i>Retail Banking and Services</i></b> regroupant : <ul style="list-style-type: none"> <li>• <i>Domestic Markets</i> composé de : <ul style="list-style-type: none"> <li>• Banque de Détail en France (BDDF),</li> <li>• <i>BNL Banca Commerciale</i> (BNL bc), banque de détail en Italie,</li> <li>• Banque De Détail en Belgique (BDDB),</li> <li>• Autres activités de <i>Domestic Markets</i> y compris la Banque de Détail et des Entreprises au Luxembourg (BDEL);</li> </ul> </li> <li>• <i>International Financial Services</i>, composé de : <ul style="list-style-type: none"> <li>• Europe-Méditerranée,</li> <li>• <i>BancWest</i>,</li> <li>• <i>Personal Finance</i>,</li> <li>• Assurance,</li> <li>• Gestion Institutionnelle et Privée;</li> </ul> </li> </ul> </li> <li>• <b><i>Corporate and Institutional Banking (CIB)</i></b> regroupant : <ul style="list-style-type: none"> <li>• <i>Corporate Banking</i>,</li> <li>• <i>Global Markets</i>,</li> <li>• <i>Securities Services</i>.</li> </ul> </li> <li>• BNPP B.V. a pour activité principale d'émettre et/ou d'acquérir des</li> </ul>

Elément	Description de l'Elément	
		<p>instruments financiers de toute nature et de conclure des contrats à cet effet pour le compte de différentes entités au sein du Groupe BNPP.</p> <ul style="list-style-type: none"> <li>BP2F a pour objet principal de consentir des prêts à BNPPF et ses affiliés. Pour réaliser son objet principal, BP2F peut émettre des obligations ou titres similaires, contracter des emprunts, avec ou sans garantie et, en général, avoir recours à toutes sources de financement. BP2F peut réaliser toute opération qu'il juge nécessaire à l'exercice et au développement de son activité, tout en restant dans les limites de la loi luxembourgeoise du 10 août 1915 sur les sociétés commerciales (telle que modifiée).</li> </ul> <p>BNPPF a pour objet d'exercer l'activité d'établissement de crédit, y compris des services de courtage et des opérations sur dérivés. Il peut exercer toutes activités et réaliser toutes opérations qui sont directement ou indirectement liées à son objet ou sont de nature à en favoriser la réalisation. BNPPF peut détenir des actions et autres participations dans les limites imposées par la législation applicable aux établissements de crédit (y compris la Loi Bancaire Belge).</p>
<b>B.19/ B.16</b>	Actionnaires de contrôle	<p>Aucun des actionnaires existants ne contrôle BNPP, que ce soit directement ou indirectement. Au 31 décembre 2015, les principaux actionnaires sont la Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>"), société anonyme d'intérêt public agissant pour le compte de l'Etat belge, qui détient 10,2% du capital social, Black Rock Inc. qui détient 5,1% du capital social et le Grand-Duché de Luxembourg, qui détient 1,0% du capital social. A la connaissance de BNPP, aucun actionnaire autre que SFPI et Black Rock Inc. ne détient plus de 5% de son capital ou de ses droits de vote.</p> <p>BNP Paribas détient 99,93% du capital social de BNPPF.</p>
<b>B.19/ B.17</b>	Notations de crédit sollicitées	<p>Les notations de crédit à long terme de BNPP sont : A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS), A1 avec une perspective stable (Moody's Investors Service Ltd.), A+ avec une perspective stable (Fitch France S.A.S.) et AA (<i>low</i>) avec une perspective stable (DBRS Limited) et les notations de crédit à court terme de BNPP sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS), P-1 (Moody's Investors Service Ltd.), F1 (Fitch France S.A.S.) et R-1 (<i>middle</i>) (DBRS Limited).</p> <p>Les notations à long terme de BNPPF sont: A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS), A2 avec une perspective stable (Moody's France SAS) et A+ avec une perspective stable (Fitch Ratings Limited) et les notations à court terme de BNPPF sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS), P-1 (Moody's France SAS) et F1 (Fitch Ratings Limited).</p>

Elément	Description de l'Elément	
		Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.
<b>B.20</b>	Déclaration indiquant si l'Emetteur a été constitué en tant que structure ou entité spécifiquement créée pour émettre des titres adossés à des actifs	Seul BNPP B.V. peut émettre les Titres Assortis de Sûretés. BNPP B.V. n'a pas été constitué en tant que véhicule <i>ad hoc</i> ( <i>special purpose vehicle</i> ) ou en tant qu'entité spécifiquement créée pour émettre des titres adossés à des actifs.
<b>B.21</b>	Principales activités de l'Emetteur et vue d'ensemble des parties à la transaction (y compris les liens de propriété ou de contrôle direct(e) ou indirect(e))	<p>BNPP B.V. est un véhicule d'émission du Groupe BNP Paribas, spécifiquement impliqué dans l'émission de titres structurés, qui sont développés, structurés et vendus à des investisseurs par d'autres entités du groupe. Les émissions sont couvertes par un contrat dérivé correspondant conclu avec BNP Paribas Arbitrage S.N.C. ou BNPP assurant une correspondance entre les actifs et les passifs de BNPP B.V..</p> <p>BNP Paribas Arbitrage S.N.C., qui agit comme agent placeur (<i>manager</i>) en vertu du Programme d'Obligations, Warrants et Certificats, et comme agent de calcul dans le cadre de certaines émissions de Titres et BNP Paribas Securities Services, Luxembourg Branch qui agit, entre autres, comme agent payeur principal dans le cadre de certaines souches de Titres et comme dépositaire des sûretés sont des filiales de BNP Paribas ("<b>BNPP</b>") qui peuvent agir comme une ou plusieurs contreparties de swap, contreparties de pension livrée ou contreparties à l'échange de collatéral dans le cadre de souches de Titres Reconditionnés de Valeur Nominale.</p>
<b>B.22</b>	Déclaration concernant l'absence d'entrée en activité et d'élaboration des états financiers	Sans objet, dans la mesure où BNPP B.V. a déjà commencé ses activités et a publié les états financiers audités pour les années clôturées le 31 décembre 2014 et le 31 décembre 2015.
<b>B.23</b>	Informations financières historiques clés sélectionnées	Voir Elément B.12.
<b>B.24</b>	Description de toute détérioration significative des perspectives de l'Emetteur depuis la date de ses derniers états financiers vérifiés et publiés	Sans objet dans la mesure où aucune détérioration significative n'est intervenue dans la situation financière de l'Emetteur ou ses perspectives depuis le 31 décembre 2015.

Elément	Description de l'Elément	
B.25	Description des actifs sous-jacents	<p>Les Actifs Grevés constituent les actifs garantissant les Titres Reconditionnés de Valeur Nominale et ont des caractéristiques qui démontrent leur capacité à générer des flux financiers nécessaires au service des paiements dus et exigibles en vertu des Titres Reconditionnés de Valeur Nominale.</p> <p>Les "<b>Actifs Grevés</b>" comprennent :</p> <ul style="list-style-type: none"> <li>a) un ou plusieurs contrats dérivés de gré à gré régi(s) par une convention-cadre, publiée par l'<i>International Swaps and Derivatives Association, Inc.</i> ("<b>ISDA</b>"), conclus entre l'Emetteur et la Contrepartie du Swap et par une confirmation incorporant par référence certaines définitions publiées par l'ISDA, telles que modifiées de temps en temps, accompagnés de tout document de remise en garantie s'y rattachant (ensemble, le "<b>Contrat de Swap</b>") ;</li> <li>b) certains titres (les "<b>Actifs Donnés en Garantie de Référence</b>") ;</li> <li>c) lorsqu'il est applicable à une souche de Titres Reconditionnés de Valeur Nominale, un contrat de pension livrée conclu par l'Emetteur avec BNPP (la "<b>Contrepartie à la Pension Livrée</b>") (le "<b>Contrat de Pension Livrée</b>") (tel que décrit plus en détail dans l'Elément B.29 ci-dessous) ;</li> <li>d) lorsqu'il applicable à une souche de Titres Reconditionnés de Valeur Nominale, un contrat d'échange de collatéral conclu par l'Emetteur avec BNPP (la "<b>Contrepartie à l'Echange de Collatéral</b>") (le "<b>Contrat d'Echange de Collatéral</b>") (tel que décrit plus en détail dans l'Elément B.29 ci-dessous) ; et</li> <li>e) les droits de BNPP au titre du Contrat de Service Financier à l'encontre du Dépositaire du Collatéral et de l'agent payeur principal à l'égard des souches concernées de Titres Assortis de Sûretés.</li> </ul> <p>La Contrepartie du Swap sera BNP Paribas (la "<b>Contrepartie du Swap</b>").</p> <p>Le nom, l'adresse et une brève description de BNP Paribas sont décrits à l'Elément B.19/B.2 ci-dessus. BNP Paribas est une société anonyme de droit français constituée en France et agréée en qualité de banque. BNP Paribas est domiciliée en France avec son siège social localisé 16 boulevard des Italiens – 75009 Paris (France).</p> <p>Lorsqu'un Contrat de Pension Livrée est conclu dans le cadre de souches de Titres Assortis de Sûretés, en vertu du Contrat de Pension Livrée, l'Emetteur conclura une série d'opérations de pensions livrées</p>

Elément	Description de l'Elément	
		<p>(chacune une "<b>Pension Livrée</b>") avec la Contrepartie à la Pension Livrée sur des titres qui sont des "<b>Titres Garantissant la Pension Livrée</b>".</p> <p>Dans le cadre de ces opérations de Pensions Livrées, la Contrepartie à la Pension Livrée sera le vendeur des Titres Garantissant la Pension Livrée et l'Emetteur sera l'acheteur.</p> <p>Dans le cadre du Contrat de Pension Livrée, à chaque date de rachat, la Contrepartie à la Pension Livrée rachètera des titres équivalents aux Titres Garantissant la Pension Livrée vendus par lui à la précédente date d'acquisition pour un montant équivalent au prix d'acquisition pour cette Pension Livrée assorti des intérêts courus pour cette Pension Livrée (ensemble, dans chaque cas, le "<b>Prix de Rachat</b>").</p> <p>La Contrepartie à la Pension Livrée peut livrer à l'Emetteur de nouveaux Titres Garantissant la Pension Livrée en substitution ou en échange des Titres Garantissant la Pension Livrée existants, à condition que les nouveaux Titres Garantissant la Pension Livrée aient une valeur au moins égale à celle des titres initialement achetés auxquels ils se substituent.</p> <p>Lorsqu'un Contrat d'Echange de Collatéral est conclu au regard d'une souche de Titres Assortis de Sûretés, dans le cadre du Contrat d'Echange de Collatéral, la Contrepartie à l'Echange de Collatéral peut, à son gré, conclure des transactions (chacune, une "<b>Transaction d'Echange</b>") avec l'Emetteur sur les Actifs Donnés en Garantie de Référence pertinents. Dans le cadre de ces Transactions d'Echange, l'Emetteur transfèrera à la Contrepartie à l'Echange de Collatéral tout ou partie des Actifs Donnés en Garantie de Référence (le "<b>Collatéral Reçu</b>") et la Contrepartie à l'Echange de Collatéral transfèrera des Actifs Donnés en Garantie de Remplacement à l'Emetteur. Sous réserve des circonstances dans lesquelles le Contrat d'Echange de Collatéral sera résilié de façon anticipée (comme décrit ci-dessous), les Transactions d'Echange seront résiliées à la date d'échéance des Actifs Donnés en Garantie de Référence (ou à toute date antérieure telle que spécifiée par la Contrepartie à l'Echange de Collatéral) et la Contrepartie à l'Echange de Collatéral transfèrera des titres équivalents au Collatéral Reçu qu'il a reçu de l'Emetteur à cette date et l'Emetteur transfèrera des titres équivalents aux Actifs Donnés en Garantie de Remplacement qu'il a reçu.</p> <p>Voir l'Elément B.29 pour plus de détails concernant les flux de trésorerie prévus dans le cadre du Contrat de Swap et les Actifs Donnés en Garantie de Référence, le Contrat de Pension Livrée et le Contrat d'Echange de Collatéral.</p> <p>Les Actifs Grevés sont disponibles exclusivement pour satisfaire les demandes des parties garanties (étant une des personnes suivantes le Fiduciaire des Sûretés un séquestre, les titulaires de Titres, la Contrepartie du Swap, la Contrepartie à la Pension Livrée (le cas</p>

Elément	Description de l'Elément	
		<p>échéant) et la Contrepartie à l'Echange du Collatéral (le cas échéant).</p> <p>Les Actifs Grevés ne comprendront pas de biens immobiliers et aucun rapport sur la valeur des Actifs Grevés ne sera préparé par l'Emetteur ou fourni aux investisseurs.</p>
<b>B.26</b>	Paramètres dans le cadre desquels les investissements concernant la gestion active d'un panier d'actifs sous-jacents garantissant l'émission peuvent être réalisés	Sans objet dans la mesure où les Actifs Grevés n'ont pas vocation à faire l'objet de transactions ou être activement gérés par l'Emetteur.
<b>B.27</b>	Déclaration concernant des émissions de titres fongibles	L'Emetteur peut émettre de nouveaux titres qui seront fongibles avec les Titres Assortis de Sûretés.
<b>B.28</b>	Description de la structure des transactions	<p>La sûreté concernant les Titres Reconditionnés de Valeur Nominale sera constituée par l'acte de fiducie complémentaire pertinent pour les Titres Assortis de Sûretés qui incorpore la convention-cadre de la fiducie conclue entre l'Emetteur et le Fiduciaire des Sûretés (l'"<b>Acte de Fiducie</b>").</p> <p>Avant ou à la Date d'Emission, l'Emetteur conclura le Contrat de Swap et à la date d'Emission ou aux alentours de cette date (sous réserve de l'application de toute période de grâce), l'Emetteur procédera à l'acquisition des Actifs Donnés en Garantie de Référence.</p> <p>Conformément au Contrat de Swap, l'Emetteur couvrira ses obligations relatives aux paiements d'intérêts (le cas échéant) et le Montant de Remboursement Final des Titres Assortis de Sûretés qui sont des Titres Reconditionnés de Valeur Nominale.</p>
<b>B.29</b>	Description des flux financiers	<p><b>Contrat de Swap</b></p> <p>A la date d'Emission d'une souche de Titres Reconditionnés de Valeur Nominale, l'Emetteur payera un montant à la Contrepartie du Swap égal au produit net de l'émission des Titres et à la Date d'Emission ou aux alentours de celle-ci, la Contrepartie du Swap payera des montants correspondants au prix d'acquisition des Actifs Donnés en Garantie de Référence pertinents à l'Emetteur que ce dernier utilisera pour acquérir les Actifs Donnés en Garantie de Référence pertinents ou, s'il a conclu un contrat de Pension Livrée, pour payer ce montant à la Contrepartie à la Pension Livrée pour acquérir les Titres Garantissant la Pension Livrée pertinents.</p> <p>En vertu du Contrat de Swap, lorsqu'un Contrat de Pension Livrée a aussi été conclu, à chaque date de rachat l'Emetteur payera un montant (le cas échéant) égal au Montant de l'Ecart du Prix de la Pension</p>

Elément	Description de l'Elément	
		<p>Livrée (comme défini ci-dessous) qui doit être reçu à la date de rachat pertinente par la Contrepartie du Swap à condition qu'aucun Evénement de Remboursement Anticipé Automatique (le cas échéant), Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>A chaque date de paiement des intérêts en vertu des Actifs Donnés en Garantie de Référence, l'Emetteur payera un montant dans la devise dans laquelle les Titres de Référence sont libellés égal au Montant du Coupon des Actifs Donnés en Garantie de Référence (comme défini ci-dessous) qui doit être reçu (ou lorsque l'Accès au Recouvrement n'est pas applicable pour la souche pertinente des Titres Assortis de Sûretés, actuellement reçus) par l'Emetteur à la Date de Paiement des Intérêts des Actifs Donnés en Garantie de Référence pertinente (comme définie ci-dessous) à la Contrepartie du Swap à condition qu'aucun Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>Lorsqu'un ou plusieurs montant d'intérêts est dû en vertu des Titres Reconditionnés de Valeur Nominale, la Contrepartie du Swap payera un montant à l'Emetteur qui sera égal à ce montant d'intérêts payable sur les Titres (chacun, un "<b>Montant de Paiement Intermédiaire</b>") avant ou à la date à laquelle ce paiement doit être effectué par l'Emetteur à condition qu'aucun Evénement de Remboursement Anticipé Automatique (si applicable), Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>Si un Evénement de Remboursement Anticipé Automatique survient, la Contrepartie du Swap payera avant ou à la date de l' Evénement de Remboursement Anticipé Automatique pertinente un montant à l'Emetteur qui sera égal au Montant de Remboursement Anticipé Automatique pertinent, à condition qu'aucun Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu et l'Emetteur payera le produit reçu de la Contrepartie à la Pension Livrée en vertu du Contrat de Pension Livrée à la Contrepartie du Swap à condition qu'aucun Evénement de Remboursement Anticipé (si applicable) ou Cas de Défaut ne soit survenu.</p> <p>Avant ou à la Date d'Echéance, la Contrepartie du Swap payera un montant à l'Emetteur qui sera égal au montant cumulé des Montants de Remboursement Final que l'Emetteur a prévu de payer pour les Titres, à condition qu'aucun Evénement de Remboursement Anticipé Automatique (si applicable), Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>Les obligations de l'Emetteur en vertu du Contrat de Swap seront de payer à la Contrepartie du Swap les montants du principal prévus payables au titre des Actifs Donnés en Garantie de Référence ou les montants à recevoir de la Contrepartie à la Pension Livrée lorsqu'il a conclu un Contrat de Pension Livrée peu important que le montant total ait été effectivement reçu par l'Emetteur et, à moins que l'Accès</p>

Elément	Description de l'Elément	
		<p>au Recouvrement soit spécifié comme étant non applicable pour une souche de Titres Reconditionnés de Valeur Nominale, de payer à la Contrepartie du Swap le montant prévu d'intérêts au titre des Actifs Donnés en Garantie de Référence, à condition que si l'Accès au Recouvrement est spécifié comme étant non applicable pour une souche de Titres Reconditionnés de Valeur Nominale, les obligations de l'Emetteur en vertu du Contrat de Swap seront de payer à la Contrepartie du Swap le montant d'intérêts actuellement reçu par l'Emetteur au titre des Actifs Donnés en Garantie de Référence.</p> <p><b>Actifs Donnés en Garantie de Référence</b></p> <p>L'Emetteur utilisera le montant reçu en vertu du Contrat de Swap pour acquérir les Actifs Donnés en Garantie de Référence pour une souche de Titres Reconditionnés de Valeur Nominale ou, lorsqu'un Contrat de Pension Livrée a été conclu pour payer le prix d'acquisition des Titres Garantissant la Pension Livrée, à la Contrepartie à la Pension Livrée.</p> <p>A chaque date de paiement des intérêts des Titres de Référence (chacune une "<b>Date de Paiement des Intérêts des Actifs Donnés en Garantie de Référence</b>"), l'émetteur des Actifs Donnés en Garantie de Référence payera un montant d'intérêt à l'Emetteur pour le montant du principal des Titres de Référence détenus par l'Emetteur à ce moment (chacun de ces montants, un "<b>Montant de Coupon d'un Actif Donné en Garantie de Référence</b>").</p> <p>L'Emetteur payera le Montant de Coupon d'un Actif Donnés en Garantie de Référence reçu au titre des Actifs Donnés en Garantie de Référence à la Contrepartie du Swap en vertu du Contrat de Swap.</p> <p>A sa date d'échéance finale, l'émetteur des Actifs Donnés en Garantie de Référence payera à l'Emetteur le montant de remboursement final au titre des Actifs Donnés en Garantie de Référence (le "<b>Paiement Final des Titres Prévus</b>") que l'Emetteur payera à la Contrepartie du Swap en vertu du Contrat de Swap à condition qu'aucun Evénement de Remboursement Anticipé Automatique (si applicable), Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p><b>Contrat de Pension Livrée</b></p> <p>Lorsqu'un Contrat de Pension Livrée a été conclu pour une souche de Titres Reconditionnés de Valeur Nominale, l'Emetteur utilisera le montant reçu de la Contrepartie du Swap pour acquérir les Titres Garantissant la Pension Livrée avec une valeur égale au montant cumulé du Montant Nominal (ou un montant proportionnel de ce montant) de la souche pertinente conformément au Contrat de Pension Livrée.</p> <p>A chaque date pertinente de rachat en vertu du Contrat de Pension Livrée, la Contrepartie à la Pension Livrée payera un montant à l'Emetteur pour la Pension Livrée qui vient juste de prendre fin qui</p>

Elément	Description de l'Elément	
		<p>sera égal à la somme du prix d'acquisition et de tout écart de prix couru pendant la durée de la Pension Livrée (chacun de ces montants, un "<b>Montant de l'Ecart du Prix de la Pension Livrée</b>"). L'Emetteur paiera le Montant de l'Ecart du Prix de la Pension Livrée reçue au titre du Contrat de Pension Livrée à la Contrepartie du Swap.</p> <p>A la date finale de rachat en vertu du Contrat de Pension Livrée, la Contrepartie à la Pension Livrée paiera un montant à l'Emetteur égal au prix de rachat de la Pension Livrée concernée (le "<b>Prix de Paiement du Rachat Final</b>") et l'Emetteur paiera à la Contrepartie du Swap un montant (le cas échéant) dans la devise dans laquelle le Contrat de Pension Livrée est libellé égal au Prix de Paiement du Rachat Final reçu par l'Emetteur à cette date au bénéfice de la Contrepartie du Swap à condition qu'aucun Evénement de Remboursement Anticipé Automatique (si applicable), Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>Si un Evénement de Remboursement Anticipé Automatique survient, à condition qu'aucun Evénement de Remboursement Anticipé ou Cas de Défaut ne survienne, l'Emetteur paiera à la Contrepartie du Swap un montant (le cas échéant) dans la devise dans laquelle le Contrat de Pension Livrée est libellé égal au montant reçu par l'Emetteur en vertu du Contrat de Pension Livrée de la Contrepartie à la Pension Livrée avant ou à la Date de Remboursement Anticipé Automatique.</p> <p><b>Contrat d'Echange de Collatéral</b></p> <p>Lorsqu'un Contrat d'Echange de Collatéral a été conclu pour une souche de Titres Reconditionnés de Valeur Nominale, la Contrepartie de l'Echange de Collatéral paiera tout montant reçu au titre du Collatéral Reçu (net des déductions et prélèvements à la source pour impôt) à l'Emetteur et l'Emetteur paiera tout montant reçu au titre des Actifs Remis en Garantie de Remplacement (net des déductions et prélèvements à la source pour impôt) à la Contrepartie de l'Echange de Collatéral. En outre, la Contrepartie de l'Echange de Collatéral peut payer des frais à l'Emetteur que l'Emetteur paiera à la Contrepartie du Swap.</p> <p>Veillez-vous référer également à l'Elément B.25 ci-dessus.</p>
<b>B.30</b>	Nom et description des établissements à l'origine des actifs titrisés	<p>BNP Paribas est la contrepartie du Contrat de Swap, et lorsque cela est applicable à une souche de Titres Assortis de Sûretés, BNP Paribas est la contrepartie au Contrat de Pension Livrée et au Contrat d'Echange de Collatéral.</p> <p>Le cas échéant, le ou les émetteur(s) des Actifs Donnés en Garantie de Référence seront spécifiés dans les Conditions Définitives.</p> <p>Veillez-vous référer également à l'Elément B.25 ci-dessus.</p>

## Section C – Valeurs Mobilières

Elément	Description de l'Elément	
C.1	Nature et catégorie des valeurs mobilières/ numéro d'identification (Code ISIN)	<p>BNPP B.V. et BP2F peuvent émettre des obligations ("<b>Obligations</b>" ou "<b>Titres</b>") en vertu de ce Prospectus de Base. BNPP B.V. peut émettre des Obligations assorties de sûretés et non assorties de sûretés.</p> <p>Le Code ISIN, le Code Commun et le Code Mnemonic d'une Souche de Titres seront spécifiés dans les Conditions Définitives applicables.</p> <p>Si cela est spécifié dans les Conditions Définitives applicables, les Titres seront consolidés et formeront une souche unique avec les tranches précédentes tel que spécifié dans les Conditions Définitives applicables</p> <p>Les Titres peuvent être des titres à règlement en numéraire ("<b>Titres à Règlement en Numéraire</b>") ou des titres à règlement physique ("<b>Titres à Règlement Physique</b>")</p> <p>Les Titres peuvent être libellés dans une seule devise (la "<b>Devise Spécifiée</b>") avec des montants payables au titre des intérêts et/ou du principal dans une autre devise (la "<b>Devise de Règlement</b>"), ces titres étant des "<b>Obligations à Double Devise</b>".</p>
C.2	Devise	Sous réserve de se conformer à toutes les lois, réglementations et directives applicables, les Titres pourront être émis dans toute devise.
C.5	Restrictions à la libre négociabilité	Les Titres seront librement négociables, sous réserve des restrictions d'offre et de vente en vigueur aux États-Unis, dans l'Espace Economique Européen, en France, au Portugal, au Japon et en Australie, et conformément à la Directive Prospectus et aux lois de toute juridiction dans laquelle les Titres concernés sont offerts ou vendus.
C.8	Droits s'attachant aux Titres	<p>Les Titres émis dans le cadre de ce Prospectus de Base seront soumis à des modalités concernant, entre autres, les questions suivantes :</p> <p><b><i>Rang de Créance des Titres</i></b></p> <p><i>Dans le cas de Titres émis par BNPP B.V.:</i></p> <p>Les Titres sont émis sur une base assortie de sûretés ou non assortie de sûretés. Les Titres émis sur une base non assortie de sûretés et (s'il y a lieu) les Coupons y afférents constituent des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de l'Emetteur et viennent et viendront au même rang entre eux et au moins avec toutes les autres dettes directes, inconditionnelles, non assorties de sûretés et non subordonnées de l'Emetteur (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi).</p> <p>Les Titres émis sur une base assortie de sûretés ("<b>Titres Assortis de Sûretés</b>") constituent des obligations non subordonnées et assorties de sûretés</p>

Elément	Description de l'Elément	
		<p>de BNPP B.V. et prendront rang <i>pari passu</i> entre eux.</p> <p><i>Dans le cas de Titres émis par BP2F :</i></p> <p>Les Titres et (s'il y a lieu) les Coupons y afférents constituent des obligations directes, inconditionnelles, non assorties de sûretés, non subordonnées et générales de l'Emetteur, et viendront au même rang (sous réserve des dettes privilégiées en vertu de dispositions impératives des lois applicables), sans aucune préférence entre eux et au moins au même rang et au prorata avec toutes les autres obligations non assorties de sûretés et non subordonnées, présentes et futures, de l'Emetteur, y compris les garanties et autres obligations de nature similaire.</p> <p><b>Titres Assortis de Sûretés</b></p> <p>En ce qui concerne des Titres Assortis de Sûretés qui ne sont pas des Titres Reconditionnés de Valeur Nominale, BNPP B.V. consentira une sûreté en faveur de BNP Paribas Trust Corporation UK Limited ou de toute autre entité spécifiée en qualité d'agent des sûretés dans les Conditions Définitives applicables (l'"<b>Agent des Sûretés</b>") pour le compte de l'Agent des Sûretés et des titulaires concernés, sur des actifs (ces actifs étant ci-après dénommés : les "<b>Actifs Donnés en Garantie</b>") qui seront inscrits sur des comptes tenus par un dépositaire ou une banque (chacun étant ci-après dénommé : un "<b>Compte de Garanties</b>").</p> <p>En ce qui concerne les Titres Assortis de Sûretés qui sont spécifiés dans les Conditions Définitives comme étant des "<b>Titres Reconditionnés de Valeur Nominale</b>", BNPP B.V. consentira une sûreté en faveur de The Law Debenture Trust Corporation p.l.c. ou de toute autre entité spécifiée en qualité de fiduciaire des sûretés dans les Conditions Définitives applicables (le "<b>Fiduciaire des Sûretés</b>") pour le compte du Fiduciaire des Sûretés, les titulaires concernés et les autres parties bénéficiant d'une sûreté sur les actifs (ces actifs étant ci-après dénommés : les "<b>Actifs Donnés en Garantie</b>") qui seront détenus sur des comptes tenus par un dépositaire ou une banque (chacun étant ci-après dénommé : un "<b>Compte de Garanties</b>").</p> <p>Une ou plusieurs souches de Titres Assortis de Sûretés pourront être garanties par le même pool d'Actifs Donnés en Garantie (le "<b>Pool de Garanties</b>"). Les Actifs Donnés en Garantie figurant dans un Pool de Garanties devront se composer des actifs éligibles spécifiés dans les Conditions Définitives applicables. Les Conditions Définitives applicables spécifieront les Actifs Donnés en Garantie qui composeront le ou les Pools de Garanties pour la souche de Titres Assortis de Sûretés concernée.</p> <p>En ce qui concerne les Titres Assortis de Sûretés qui ne sont pas des Titres Reconditionnés de Valeur Nominale, les Conditions Définitives préciseront également si l'Emetteur fournira ou non des sûretés au titre du montant nominal (la "<b>valeur nominale</b>") des Titres Assortis de Sûretés concernés ("<b>Garantie de la Valeur Nominale</b>") ou d'une partie de la valeur nominale</p>

Elément	Description de l'Elément	
		<p>des Titres Assortis de Sûretés concernés ("<b>Garantie Partielle de la Valeur Nominale</b>") ou de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie MTM</b>") ou d'une partie de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie Partielle de la MTM</b>"), ou spécifieront si les Titres Assortis de Sûretés sont des "<b>Titres Indexés sur des Actifs Donnés en Garantie</b>". 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 ou au titre d'une partie de la valeur nominale des Titres Assortis de Sûretés concernés (ces sûretés étant ci-après dénommées : les "<b>Actifs Donnés en Garantie de Référence</b>") et, en outre, l'Emetteur fournira des garanties au titre de la valeur réévaluée à la valeur de marché (« <i>marked to market</i> ») 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 "<b>Actifs Ajustables MTM</b>") à moins que les Titres Assortis de Sûretés soient des "Titres Indexés sur des Actifs Donnés en Garantie de Valeur Nominale" ou des "Titres Indexés sur des Actifs Donnés en Garantie d'une Partie de la Valeur Nominale" 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.</p> <p>En ce qui concerne les Titres Assortis de Sûretés qui ne sont pas des Titres Reconditionnés de Valeur Nominale, l'Emetteur ne détiendra pas les Actifs Donnés en Garantie afférents à des Titres Assortis de Sûretés si lui-même ou l'un de ses affiliés est le propriétaire effectif de ces Titres Assortis de Sûretés.</p> <p>En ce qui concerne les Titres Assortis de Sûretés qui sont des Titres Reconditionnés de Valeur Nominale, les Conditions Définitives spécifieront également si l'Emetteur acquerra des Actifs Donnés en Garantie de Référence par rapport à la valeur nominale des Titres Assortis de Sûretés concernés ou par rapport à une partie de la valeur nominale des Titres Assortis de Sûretés concernés.</p> <p>Suite à la survenance d'un ou plusieurs cas de défaut applicables aux Titres Assortis de Sûretés (ces cas de défaut incluant le défaut de paiement, l'inexécution ou le non-respect des obligations de BNPP B.V. ou du Garant en vertu des Titres Assortis de Sûretés, l'insolvabilité ou la liquidation de l'Emetteur ou du Garant) et, dans le cas de Titres Assortis de Sûretés qui ne sont pas des Titres Reconditionnés de Valeur Nominale, la délivrance par un titulaire de Titres Assortis de Sûretés d'une notification à cet effet à, entre autres, l'Agent des Sûretés, qui n'est pas contestée par BNPP B.V., la sûreté constituée sur chaque Pool de Garanties sera exécutée par l'Agent des Sûretés ou, dans le cas de Titres Assortis de Sûretés qui sont des Titres Reconditionnés de Valeur Nominale, la délivrance d'une notification d'exécution par le Fiduciaire des Sûretés, la sûreté constituée sur chaque Pool de Garanties sera exécutée par le Fiduciaire des Sûretés. .</p>

Elément	Description de l'Elément	
		<p>Si, à la suite de la réalisation ou de l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé aux titulaires de Titres Assortis de Sûretés pour une souche de Titres Assortis de Sûretés est inférieur au montant payable sur ces titres après cette réalisation ou cette exécution forcée, le déficit en résultant sera irrévocablement garanti par BNPP.</p> <p>Certaines souches de Titres Assortis de Sûretés qui ne sont pas des Titres Reconditionnés de Valeur Nominale peuvent stipuler qu'en cas d'exécution forcée de la sûreté constituée sur le Pool de Garanties, les Actifs Donnés en Garantie et/ou la valeur réalisée grâce à la vente des Actifs Donnés en Garantie qui sont vendus en lien avec l'exécution forcée et la livraison, seront livrés aux titulaires de Titres concernés, sans calcul de tout déficit éventuel.</p> <p>Le montant payable en vertu des Titres Assortis de Sûretés après la réalisation ou l'exécution forcée de la sûreté relative à un Pool de Garanties sera, comme spécifié dans les Conditions Définitives applicables, le Montant de Liquidation de la Valeur de la Sûreté, les Produits de Réalisation de la Valeur de la Sûreté, les Produits de Réalisation de la Valeur Nominale Partielle, le Montant de la Valeur Nominale ou le Montant de la Valeur du Déficit ou, dans le cas de Titres Reconditionnés de Valeur Nominale, les Produits de Réalisation, les Produits de Réalisation de la Valeur Nominale, les Produits de Réalisation de la Valeur Nominale Partielle ou la Livraison Physique de la Garantie (le « <b>Montant de Liquidation de la Sûreté</b> »). Si les Titres Assortis de Sûretés sont des Titres Indexés sur des Actifs Donnés en Garantie, les Actifs Donnés en Garantie de Référence et/ou la valeur résultant de la vente des Actifs Donnés en Garantie de Référence qui sont vendus au titre de l'exécution forcée et la livraison, seront livrés aux titulaires concernés et un montant égal au Montant de Liquidation MTM de la Sûreté et dans le cas de Titres Indexés sur des Actifs Donnés en Garantie d'une Partie de la Valeur Nominale uniquement, un montant égal au total du Montant du Déficit Nominal seront dus aux titulaires concernés. Si, après la réalisation ou l'exécution forcée de la sûreté relative à un 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 Nominale 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, étant étendu que, dans le cas de Titres Indexés sur des Actifs Donnés en Garantie d'une Partie de la Valeur Nominale uniquement, si suite à la réalisation, ou à l'exécution forcée, des sûretés comprises dans le Pool de Garanties, le montant payé par BNPP B.V. au titre de (i) la valeur réévaluée de la valeur de marché (« <i>marked to market</i> ») des options que BNPP B.V. a conclues pour couvrir ses obligations et (ii) de la valeur nominale des Titres qui ne bénéficient pas de sûretés, est inférieur à la somme du Montant de</p>

Elément	Description de l'Elément	
		<p>Liquidation MTM de la Sûreté et du Montant du Déficit Nominal total suite à cette réalisation, exécution forcée ou paiement, ce déficit sera irrévocablement garanti par BNPP.</p> <p>Si les Titres Assortis de Sûretés sont des Titres Reconditionnés de Valeur Nominale, 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 au titre de l'exécution forcée et la livraison, seront livrés aux titulaires concernés et un montant égal aux revenus reçus par l'Emetteur en lien avec les autres Actifs Grevés (le cas échéant) sera dû aux titulaires concernés après paiement de tous les montants dus conformément à l'ordre de priorité de paiement concerné et ce, en priorité sur les montants dus aux titulaires. Si après la réalisation ou l'exécution forcée de la sûreté relative au Pool de Garanties, le montant payé aux titulaires de Titres à la suite de la réalisation des Actifs Grevés en lien avec les souches concernées de Titres Assortis de Sûretés est inférieur au Montant de Liquidation de la Sûreté à la suite de cette réalisation ou exécution forcée, un tel déficit sera irrévocablement garanti par BNPP.</p> <p>Les Titres Assortis de Sûretés qui sont des Titres Reconditionnés de Valeur Nominale seront également soumis à un ou plusieurs Cas de Remboursement Anticipé qui seront des événements affectant les Titres conduisant à un remboursement anticipé des Titres Assortis de Sûretés par le paiement d'un montant de remboursement anticipé ou par la livraison des Actifs Donnés en Garantie de Référence. De tels cas incluent des cas de perturbation additionnels, ou des cas de perturbation additionnels optionnels, pour lesquels l'Agent de Calcul détermine qu'il n'est pas possible de faire un ajustement adapté aux conditions des Titres, la fin du Contrat de Swap concerné, Contrat de Pension Livrée ou Contrat d'Echange de Collatéral, cas liés à la valeur des Actifs Donnés en Garantie de Référence, les Titres Assortis de Sûretés ou le Contrat de Swap, cas relatifs au traitement fiscal des paiements en vertu des Actifs Donnés en Garantie de Référence, cas de changement de loi affectant les Actifs Donnés en Garantie de Référence ou l'entité qui émet des Actifs Donnés en Garantie de Référence, cas relatifs aux défauts, remboursements anticipés ou défauts de paiement relatifs aux Actifs Donnés en Garantie de Référence, cas tels que des faillites ou des restructurations concernant l'émetteur des Actifs Donnés en Garantie de Référence, la société-mère à laquelle il appartient (le cas échéant) ou tout garant ou d'autres cas qui pourraient être déclenchés par des événements affectant un ou plusieurs émetteurs des Actifs Donnés en Garantie de Référence, sa société-mère (le cas échéant) à ou tout garant des Actifs Remis en Garantie de Référence ou, lorsque cela est spécifié, concernant une certaine autre entité spécifiée et pourrait, si cela est spécifié, être déclenché par des événements intervenant relativement à des obligations remplissant certaines caractéristiques de ces entités qui peuvent inclure, sans que cela soit exhaustif, les Actifs Donnés en Garantie de Référence concernés.</p>

Elément	Description de l'Elément	
		<p>En cas de survenance de l'un de ces Cas de Remboursement Anticipé, les Actifs Donnés en Garantie de Référence seront vendus ou, lorsque cela est spécifié comme applicable dans les Conditions Définitives, seront livrés aux titulaires des Titres Assortis de Sûretés pertinents après déduction des montants ou des ventes d'Actifs Donnés en Garantie de Référence (lorsque la livraison physique est applicable) afin de payer les montants dus en priorité aux titulaires ce qui inclus, sans limite, le cas échéant, les montants de résiliation dus à la Contrepartie du Swap, Contrepartie à la Pension Livrée ou la Contrepartie à l'Echange de Collatéral.</p> <p><b>Fiscalité</b></p> <p><i>Dans le cas de Titres émis par BNPP B.V :</i></p> <p>Sous réserve que la Modalité 6.4 soit stipulée applicable dans les Conditions Définitives concernées, tous les paiements relatifs aux Obligations seront effectués libres de toute retenue à la source ou de tout prélèvement libératoire au titre de tous impôts et taxes imposés par la France ou par toute subdivision politique de celle-ci ou toute autorité française ayant pouvoir de prélever l'impôt (dans le cas de paiements par BNPP en qualité de Garant) ou les Pays-Bas, toute subdivision politique de ceux-ci ou toute autre autorité néerlandaise ayant pouvoir de prélever l'impôt, (dans le cas de paiements par BNPP B.V.), sauf si cette retenue à la source ou ce prélèvement libératoire est exigé(e) par la loi. Si une telle retenue à la source ou un tel prélèvement libératoire est effectué, l'Emetteur ou, selon le cas, le Garant, sera tenu, excepté dans certaines circonstances limitées, de payer des montants additionnels pour couvrir les montants ainsi déduits.</p> <p><i>Dans le cas de Titres émis par BP2F :</i></p> <p>Sous réserve que la Modalité 6.4 soit stipulée applicable dans les Conditions Définitives concernées, tous les paiements relatifs aux Obligations seront effectués libres de toute retenue à la source ou de tout prélèvement libératoire au titre de tous impôts et taxes imposés par le Luxembourg, toute subdivision politique de celui-ci ou toute autre autorité luxembourgeoise ayant pouvoir de prélever l'impôt, ou, s'il y a lieu (dans le cas du Garant) par la Belgique ou toute subdivision politique de celle-ci ou toute autre autorité belge ayant le pouvoir de prélever l'impôt, sauf si cette retenue à la source ou ce prélèvement libératoire est exigé(e) par la loi. Si une telle retenue à la source ou un tel prélèvement libératoire est effectué, l'Emetteur ou, selon le cas, le Garant, sera tenu, excepté dans certaines circonstances limitées, de payer des montants additionnels pour couvrir les montants ainsi déduits.</p> <p><i>Dans le cas de Titres émis par tout Emetteur</i></p>

Elément	Description de l'Elément	
		<p>Les paiements seront soumis dans tous les cas (i) aux lois et réglementations fiscales ou autres qui leur sont applicables dans le lieu de paiement, mais sans préjudice des dispositions de la Modalité 6 , (ii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu d'un accord de la nature décrite à la Section 1471(b) de l'<i>U.S. Internal Revenue Code</i> de 1986 (le "<b>Code</b>"), ou qui est autrement imposé en vertu des Sections 1471 à 1474 du Code, de toutes réglementations ou conventions prises pour leur application, de toutes leurs interprétations officielles ou (sans préjudice des dispositions de la Modalité 6 ) de toute loi prise pour appliquer une approche intergouvernementale de celles-ci, et (iii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu de la Section 871(m) du Code.</p> <p><b>Maintien de l'Emprunt à son Rang</b></p> <p>Les modalités des Titres ne contiendront aucune clause de maintien de l'emprunt à son rang.</p> <p><b>Cas de Défaut</b></p> <p>Les modalités des Obligations prévoient des cas de défaut, y compris le défaut de paiement, le défaut d'exécution ou le non-respect des obligations de l'Emetteur ou (s'il y a lieu) du Garant en vertu des Titres ; l'insolvabilité ou la liquidation de l'Emetteur ou (s'il y a lieu) du Garant ; ou (dans le cas de BP2F) : le défaut de paiement par l'Emetteur ou le Garant d'autres dettes contractées ou garanties par l'Emetteur ou le Garant au titre d'emprunts d'un montant au moins égal à 50.000.000 EUR ou sa contre-valeur dans toute autre devise.</p> <p><b>Assemblées Générales</b></p> <p>Les modalités des Titres contiendront des dispositions relatives à la convocation d'assemblées générales des titulaires de ces Titres, afin d'examiner des questions affectant leurs intérêts en général. Ces dispositions permettront à des majorités définies de lier tous les titulaires, y compris ceux qui n'auront pas assisté et voté à l'assemblée concernée et ceux qui auront voté d'une manière contraire à celle de la majorité.</p> <p>Dans le cas de Titres de droit français, les Conditions Définitives applicables pourront spécifier que les Titulaires de toutes Tranches d'une même Souche, seront automatiquement regroupés, pour la défense de leurs intérêts communs, en une masse (la "<b>Masse</b>") ou que les Titulaires ne seront pas regroupés en une Masse.</p> <p><b>Loi applicable</b></p> <p>Le Contrat de Service Financier des Obligations (tel que modifié, complété et/ou retraité au cours du temps), l'Acte d'Engagement (<i>Deed of Covenant</i>) (tel que modifié, complété et/ou retraité au cours du temps), les Garanties au</p>

Elément	Description de l'Elément	
		titre des Obligations, les Obligations, les Reçus et les Coupons, et tous engagements non-contractuels découlant ou en lien avec le Contrat de Service Financier des Obligations (tel que modifié, complété et/ou retraité au cours du temps), l'Acte d'Engagement ( <i>Deed of Covenant</i> ) (tel que modifié, complété et/ou retraité au cours du temps), les Garanties, les Obligations (exception faite de ce qui est dit ci-dessus), les Reçus et les Coupons sont régis par le droit anglais, qui gouvernera également leur interprétation.
C.9	Intérêts/ Remboursement	<p><b>Intérêts</b></p> <p>Les Titres peuvent ou non porter intérêts ou donner lieu au paiement d'intérêts. Les Titres donnant lieu au paiement d'intérêts porteront ou donneront lieu au paiement d'intérêts calculés par référence à un taux fixe, un taux variable et/ou un taux calculé par référence à un ou plusieurs Sous-Jacents de Référence (chacun étant dénommé : un « <b>Sous-Jacent de Référence</b> »).</p> <p>Les Titres qui ne portent pas intérêt ou ne donnent pas lieu au paiement d'intérêts peuvent être offerts et vendus avec une décote par rapport à leur montant nominal.</p> <p>Les intérêts seront calculés et payables à la date ou aux dates déterminées par l'Emetteur à la date d'émission des Titres concernés, spécifiés dans les Conditions Définitives applicables et résumés dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables.</p> <p>Le Taux d'Intérêt peut être l'un quelconque des taux suivants, comme spécifié dans les Conditions Définitives applicables :</p> <ul style="list-style-type: none"> <li>(a) Taux Fixe (y compris Fixe SPS) : payant un taux d'intérêts fixe.</li> <li>(b) Taux Variable (y compris Montant Variable SPS) : payant un taux d'intérêts variable qui peut être calculé par référence à un taux de référence (tel que, et sans être limité à, LIBOR ou EURIBOR).</li> <li>(c) Intérêts Indexés (y compris Coupons SPS : Stellar, Cappuccino, Ratchet, Driver, Nova et Coupon FI : FX Vanilla) : payant un montant indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence.</li> <li>(d) Conditionnel (y compris les Coupons SPS : Digital, Snowball Digital, Accrual Digital et les Coupons FI : FI Digital, FX Digital, Range Accrual, FX Range Accrual, FX Memory, PRDC, FI Digital Floor, FI Digital Cap) : payant un montant qui est soit indexé ou non indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence si certaines conditions sont remplies.</li> <li>(e) Combinaisons (y compris les Coupons SPS : Sum, Option Max et Coupon FI : Combination Floater) : combinant deux ou plusieurs types de coupon.</li> </ul>

Elément	Description de l'Elément	
		<p>(f) Coupon FI Target.</p> <p>Ces taux et/ou montants d'intérêts payables peuvent être soumis à un maximum ou un minimum. Si la clause Option de Changement du Coupon ou Changement Automatique du Coupon est spécifiée comme applicable dans les Conditions Définitives applicables, le taux pourra être changé pour passer d'un taux spécifié à un autre. Si Coupon Switch Additionnel est spécifié comme applicable dans les Conditions Définitives applicables, un Montant Coupon Switch Additionnel sera payable à la Date de Paiement d'Intérêt suivant un tel changement. Les conditions applicables à chaque Souche de ces Titres seront déterminées par l'Emetteur à la date d'émission des Titres concernés, spécifiées dans les Conditions Définitives applicables et résumées dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables.</p> <p><b>Remboursement</b></p> <p>Les conditions dans lesquelles les Titres peuvent être remboursés (y compris la date d'échéance ainsi que le montant payable ou livrable lors du remboursement et toutes dispositions relatives au remboursement anticipé) seront déterminées par l'Emetteur à la date d'émission des Titres concernés, spécifiées dans les Conditions Définitives applicables et résumées dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables. Les Titres peuvent être remboursés par anticipation pour des raisons fiscales, au Montant de Remboursement Anticipé calculé conformément aux Modalités, ou à l'option de l'Emetteur ou à l'option des Obligataires, si les Conditions Définitives applicables le spécifient, au Montant de Remboursement Optionnel spécifié dans les Conditions Définitives applicables. Le Montant de Remboursement Optionnel au titre de chaque montant nominal des Titres égal au Montant de Calcul sera soit (i) le Montant de Calcul multiplié par le pourcentage spécifié dans les Conditions Définitives applicables ; soit (ii) la Formule de Paiement SPS Call (en cas de remboursement anticipé à l'option de l'Emetteur) ou la Formule de Paiement SPS Put (en cas de remboursement anticipé à l'option des Obligataires).</p> <p>Dans le cas de Titres indexés sur un Sous-Jacent de Référence, les Titres peuvent également être remboursés par anticipation à la suite de la survenance de certains cas de perturbation ou d'ajustement ou de certains événements exceptionnels ou autres, tels que résumés dans le résumé spécifique de l'émission annexé aux Conditions Définitives applicables. Si les Conditions Définitives applicables spécifient que la clause de Changement de Formule de Paiement ou Changement Automatique de Formule de Paiement s'applique, le montant payable ou livrable en cas de remboursement pourra être changé pour passer d'un montant payable ou livrable à un autre.</p> <p><b>Obligations à Double Devise</b></p> <p>Dans le cas d'Obligations à Double Devise, tout montant calculé pour être</p>

Elément	Description de l'Elément	
		<p>payable au titre des intérêts (le cas échéant) et tout montant calculé pour être payable au titre du Remboursement des Obligations, sera converti dans la Devise de Règlement au Taux de Change Spécifié ou au Taux de Change de la Devise de Règlement spécifié(e) dans les Conditions Définitives applicables.</p> <p><b>Indication du Rendement</b></p> <p>Dans le cas de Titres portant ou payant des intérêts à un taux fixe, le rendement sera spécifié dans les Conditions Définitives applicables. Ce rendement sera calculé en appliquant le taux d'intérêt qui, s'il était appliqué rétroactivement à la Date d'Emission à chaque paiement en principal et intérêts devant être effectué en vertu des Titres, rapporterait, à la Date d'Echéance prévue des montants égaux au total au Prix d'Emission.</p> <p>Le rendement est calculé à la Date d'Emission sur la base du Prix d'Emission et en supposant que les Titres ne font pas l'objet d'un remboursement anticipé, ou, s'il y a lieu, qu'aucun Evénement de Crédit ne survient. Il n'est pas une indication du rendement futur.</p> <p>Dans le cas de Titres portant ou payant des intérêts à un taux autre qu'un taux fixe, il n'est pas possible, en raison de la nature de ces Titres, de déterminer le rendement à la Date d'Emission.</p> <p><b>Représentant des Titulaires de Titres</b></p> <p>Aucun représentant des Titulaires de Titres n'a été nommé par l'Emetteur. Sur les droits s'attachant aux Titres, veuillez également vous référer à l'Elément C.8 ci-dessus.</p>
C.10	Paiement des intérêts liés à un ou plusieurs instrument(s) dérivé(s)	<p>Les paiements d'intérêts sur certaines Tranches de Titres pourront être déterminés par référence à la performance d'un ou plusieurs Sous-Jacents de Référence spécifié(s).</p> <p>Veuillez également vous référer aux Eléments C.9 ci-dessus et C.15 ci-dessous.</p>
C.11	Admission à la Négociation	<p>Les Titres émis dans le cadre de ce Prospectus de Base pourront être admis à la négociation sur Euronext Paris, la Bourse de Luxembourg, la Bourse Italienne, le marché EuroMTF, Euronext Bruxelles, NASDAQ OMX Helsinki Ltd., Nordic Growth Market ou tel autre marché réglementé, organisé ou tel autre système de négociation spécifié dans les Conditions Définitives applicables, ou pourront être émis sans être admis à la négociation sur un marché réglementé, un marché organisé ou un autre système de négociation.</p>
C.12	Valeur nominale minimale de l'émission	<p>En ce qui concerne les Titres Reconditionnés de Valeur Nominale, la valeur nominale minimale de l'émission sera spécifiée dans les Conditions Définitives applicables.</p>
C.15	Description de l'impact	<p>Le montant (le cas échéant) payable au titre des intérêts et le montant payable</p>

Elément	Description de l'Elément	
	de la valeur du sous-jacent sur la valeur de l'investissement	ou les actifs livrables lors du remboursement des Titres sont calculés par référence à un ou plusieurs Sous-Jacents de Référence spécifiés dans les Conditions Définitives applicables.
C.16	Echéance des Titres Dérivés	La Date d'Echéance des Titres sera spécifiée dans les Conditions Définitives applicables.
C.17	Procédure de Règlement	<p>Les Titres peuvent être des titres à règlement en numéraire ou à règlement physique.</p> <p>Dans certaines circonstances, l'Emetteur, le Titulaire ou (s'il y a lieu) le Garant pourra modifier le mode de règlement des Titres.</p>
C.18	Produits des Titres Dérivés	<p>Sur les droits s'attachant aux Titres, voir l'Elément C.8 ci-dessus.</p> <p>L'Elément C.9 ci-dessus donne des informations sur les intérêts en relation avec les Titres.</p> <p><b>Remboursement Final</b></p> <p>A moins qu'il n'ait été préalablement remboursé ou racheté et annulé, chaque Titre sera remboursé par l'Emetteur à la Date d'Echéance :</p> <p>(a) si les Titres sont des Titres à Règlement en Numéraire, au Montant de Remboursement Final spécifié dans les Conditions Définitives applicables, soit un montant calculé par l'Agent de Calcul égal à la Formule de Paiement Final spécifiée dans les Conditions Définitives applicables ; ou</p> <p>(b) si les Titres sont des Titres à Règlement Physique, par livraison des Droits à Règlement Physique, soit la quantité de l'Actif/des Actifs Concernés spécifié(s) dans les Conditions Définitives applicables, égale au Montant des Droits à Règlement Physique spécifié dans les Conditions Définitives applicables</p> <p>Nonobstant ce qui précède, si les Obligations sont des Obligations Indexées sur un Evènement de Crédit, le remboursement sera réalisé par le versement d'un montant égal aux actifs spécifiés dans les Modalités relatives aux Obligations Indexées sur un Evènement de Crédit et les Conditions Définitives applicables et/ou par livraison desdits actifs.</p> <p><b>Formules de Paiement Final</b></p> <p><b>Formules de Paiement Final des Titres Structurés (SPS)</b></p> <p>(a) Titres Fixed Percentage : produits à terme fixe qui ont un rendement égal à un pourcentage déterminé.</p> <p>(b) Titres Reverse Convertible : (Reverse Convertible, Reverse Convertible Standard) : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de</p>

Elément	Description de l'Elément	
		<p>Référence et sur le niveau d'une barrière activante. Il n'y a pas de capital garanti.</p> <p>(c) Titres Vanilla (Call, Call Spread, Put, Put Spread, Digital Knock-in Call, Knock-out Call): produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur divers mécanismes (y compris des mécanismes de barrière activante ou désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(d) Titres Asian (Asian, Asian Spread, Himalaya) : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence qui est déterminé par application d'une méthode utilisant les moyennes. Le calcul du rendement peut être basé sur divers mécanismes (y compris des mécanismes de plafond ou de <i>lock-in</i>). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(e) Titres Auto-callable (Autocall, Autocall One Touch, Autocall Standard) : produits à terme fixe qui comprennent un mécanisme de remboursement anticipé automatique. Le rendement est indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur divers mécanismes (y compris sur un mécanisme de barrière activante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(f) Titres Indexés (Certi plus : Booster, Certi plus : Bonus, Certi plus : Leveraged, Certi plus : Twin Win, Certi plus : Super Sprinter, Certi plus : Generic, Certi plus : Generic Knock-in, Certi plus : Generic Knock-out) : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement peut être basé sur divers mécanismes (y compris des mécanismes de barrière activante ou désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(g) les Titres Ratchet : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est égal à la somme des rendements déterminés par application d'une formule (qui peut être plafonnée ou soumise à un plancher). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(h) Titres Sum : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le calcul du rendement est égal à la somme pondérée des rendements déterminés par application de différentes formules de paiement. Le</p>

Elément	Description de l'Elément	
		<p>capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(i) Titres Option Max : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence au rendement maximum déterminé par l'application d'autres formules de paiement final. Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(j) Titres Stellar : produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement, qui est soumis à un plancher, est obtenu par application de la moyenne des rendements de chaque Sous-Jacent de Référence du panier, chacun étant soumis à un plafond et un plancher.</p> <p>(k) Titres Driver : produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement, qui est soumis à un plancher, est obtenu par référence à la moyenne des rendements du panier, où la performance du Sous-Jacent de Référence ayant la meilleure performance est fixée à un niveau déterminé.</p> <p><b>Formule de Paiement Revenu Fixe (FI)</b></p> <p>(a) Titres FI FX Vanilla : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à divers mécanismes (y compris les mécanismes de barrière activante et désactivante). Le capital peut être garanti partiellement, totalement ou ne pas être garanti.</p> <p>(b) Titres Digital (Digital Floor, Digital Cap, Digital Plus) : produits à terme fixe qui ont un rendement fixe qui dépend de la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence à des mécanismes variés (y compris des mécanismes de plancher, de plafond, de barrière activante et/ou désactivante).</p> <p>(c) Titres liés à l'inflation : produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence.</p> <p><b>Montant des Droits à Règlement Physique</b></p> <p>Livraison du Sous-Jacent le Moins Performant</p> <p>Livraison du Sous-Jacent le Plus Performant</p>

Elément	Description de l'Elément	
		<p>Livraison du Sous-Jacent</p> <p>Si les Conditions Définitives applicables stipulent que la clause Livraison du Sous-Jacent le Moins Performant, Livraison du Sous-Jacent le Plus Performant ou Livraison du Sous-Jacent s'applique, le Montant du Droit à Règlement Physique sera arrondi à la baisse à l'unité la plus proche de chaque Actif Concerné pouvant être livré et, l'Emetteur paiera, au lieu de celui-ci, un montant égal à l'Arrondi et au Montant Résiduel.</p> <p><b>Remboursement Anticipé Automatique</b></p> <p>S'il survient un Cas de Remboursement Anticipé Automatique tel que spécifié dans les Conditions Définitives applicables, les Titres seront remboursés par anticipation au Montant de Remboursement Anticipé Automatique à la Date de Remboursement Anticipé Automatique.</p> <p>Le Montant de Remboursement Anticipé Automatique au titre de chaque montant nominal de Titres égal au Montant de Calcul sera égal au Montant de Paiement en cas de Remboursement Anticipé Automatique spécifié dans les Conditions Définitives applicables, ou, s'il n'est pas ainsi spécifié, au montant égal au produit obtenu en multipliant (i) le Montant de Calcul par (ii) la somme du Pourcentage du Remboursement Anticipé Automatique applicable et du Taux AER (Taux de Remboursement Anticipé Automatique) applicable spécifié dans les Conditions Définitives applicables à la Date de Remboursement Anticipé Automatique.</p> <p><b>Formules de Paiement en cas de Remboursement Anticipé Automatique</b></p> <p>Formule de Paiement en cas de Remboursement Anticipé Automatique SPS</p> <p>Remboursement Anticipé Automatique Target</p> <p>Remboursement Anticipé Automatique Sous-Jacent FI</p> <p>Remboursement Anticipé Automatique Coupon FI</p> <p><b>Obligations à Double Devise</b></p> <p>En cas d'Obligations en Double Devise, tout montant calculé pour être payable au titre du Remboursement des Obligations, sera converti dans la Devise de Règlement au Taux de Change Spécifié ou au Taux de Change de la Devise de Règlement spécifié(e) dans les Conditions Définitives applicables.</p>
C.19	Prix de Référence Final du Sous-Jacent	<p>Si le montant payable au titre des intérêts ou le montant payable ou les actifs livrables lors du remboursement des Titres est déterminé par référence à un ou plusieurs Sous-Jacents de Référence, le prix de référence final du Sous-Jacent de Référence sera déterminé conformément au mécanisme d'évaluation indiqué dans l'Elément C.10 et l'Elément C.18 ci-dessus, selon</p>

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

#### Section D – Risques

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

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		<p>tant que société du Groupe BNPP.</p> <p><i>Risque de dépendance</i></p> <p>BNPP B.V. est une société opérationnelle. Les actifs de BNPP B.V. sont constitués des obligations des autres entités du Groupe BNPP. La capacité de BNPP B.V. à remplir ses propres obligations dépendra de la capacité des autres entités du Groupe BNPP à remplir les leurs. La capacité de BNPP B.V. à remplir ses obligations en vertu des titres qu'il émet dépend de la bonne exécution des paiements qui lui sont dus au titre de certains contrats de couverture qu'il conclut avec d'autres entités du Groupe BNPP et, dans le cas des Titres Reconditionnés de Valeur Nominale, sa capacité à remplir ses obligations dépend des Actifs Donnés en Garantie de Référence et/ou d'autres contrats, tels que des contrats de pension livrée, selon le cas. En conséquence, les Titulaires de titres émis par BNPP B.V., sous réserve des stipulations de la Garantie émise par BNPP, seront exposés au risque lié à la capacité des entités du Groupe BNPP à remplir leurs obligations dans le cadre de ces contrats de couverture et, dans le cas de Titres Reconditionnés de Valeur Nominale, à la capacité du ou des émetteurs des Actifs Donnés en Garantie de Référence ou des parties engagées contractuellement dans le cadre de ces actifs, à payer les montants dus au titre de ces Actifs Donnés en Garantie de Référence et/ou la capacité de leurs contreparties à remplir leurs obligations respectives dans le cadre d'autres contrats.</p> <p><i>Risque de marché</i></p> <p>BNPP B.V. est exposé aux risques de marché résultant des positions prises sur les taux d'intérêts, les taux de change, les matières premières et les produits sur actions, tous étant exposés aux fluctuations générales et spécifiques liées aux marchés. Ces risques sont cependant couverts par des contrats d'option et d'échange (<i>swap</i>) et sont par conséquent, en principe, atténués.</p> <p><i>Risque de crédit</i></p> <p>BNPP B.V. est exposé à une concentration de risques de crédit significative étant donné que tous les contrats de swap sont conclus de gré-à-gré avec sa société-mère et d'autres entités du Groupe BNPP. Prenant en considération l'objectif et les activités de BNPP B.V. et le fait que sa société-mère soit sous la supervision de la Banque centrale européenne et de l'Autorité de contrôle prudentiel et de résolution, la direction estime ces risques comme étant acceptables. La dette senior à long terme de BNP Paribas est notée (A) par Standard &amp; Poor's et (A1) par Moody's.</p> <p><i>Risque de liquidité</i></p> <p>BNPP B.V. a une exposition significative au risque de liquidité. Pour réduire cette exposition, BNPP B.V. a conclu des conventions de compensation avec sa société-mère et les autres entités du Groupe BNPP.</p>

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		<p><b>BP2F</b></p> <p>On trouvera ci-dessous un récapitulatif de certaines considérations supplémentaires d'investissement liées aux activités de BP2F :</p> <p>(1) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défectueux ou inadéquats, d'erreurs humaines, d'événements externes ou de changements dans l'environnement concurrentiel qui porte atteinte à la franchise ou à l'économie opérationnelle de l'activité.</p> <p>Afin de limiter ces risques opérationnels, BP2F a engagé en 2013 deux employés à temps partiel de BNP Paribas Fortis SA/NV.</p> <p>(2) <i>Risque juridique et fiscal</i> – BP2F peut faire face à des risques juridiques et fiscaux.</p> <p>En cas de risque juridique potentiel, BP2F sollicitera l'avis du département juridique de BNPPF et de conseils externes, si cela est requis par un directeur exécutif ou par un membre du conseil d'administration.</p> <p>En cas de risque fiscal potentiel, BP2F sollicitera l'avis des spécialistes fiscaux de sa société-mère et de conseils fiscaux externes, si cela est requis par un membre du conseil d'administration.</p> <p>(3) <i>Risque de liquidité</i> – le risque de liquidité est le risque que BP2F, bien que solvable, n'ait pas suffisamment de ressources financières disponibles pour faire face à ces obligations exigibles ou ne puisse octroyer de sûreté ou ne vendre ses actifs qu'à un prix excessivement élevé.</p> <p>(4) <i>Risque financier</i> – le risque financier englobe deux types de risques :</p> <ul style="list-style-type: none"> <li>• le risque de crédit – il s'agit du risque qu'un emprunteur ou qu'une contrepartie ne soit pas en mesure d'honorer sa dette ; et</li> <li>• le risque de marché – il s'agit du risque de perte potentielle résultant de l'évolution défavorable des cours sur les marchés, qui peut survenir en cas de négociation d'instruments financiers ou de détention de positions sur instruments financiers.</li> </ul> <p>(5) <i>Risque de règlement</i> – le risque de règlement est le risque que BP2F prend en étant responsable de la gestion quotidienne de trésorerie en surveillant le solde de trésorerie de BP2F.</p>

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		<p>BP2F a mis en place une procédure de paiement approuvée par le conseil d'administration et acceptée par BGL BNP Paribas S.A. afin d'atténuer ce risque.</p> <p>(a) La principale protection de crédit pour les Titres émis par BP2F proviendra des garanties données par BNPPF.</p> <p>(b) La capacité de BP2F d'exécuter ses obligations à l'égard du retour structuré au titre des titres structurés peut dépendre de la capacité des contreparties de couverture de respecter leurs obligations en vertu de la couverture.</p> <p>(c) La capacité de BP2F à effectuer des paiements prévus par les Titres peut dépendre de la performance d'exploitation des sociétés auxquelles les produits des Titres sont prêtés.</p> <p>(d) La situation financière des sociétés opérationnelles auxquelles les produits des Titres sont prêtés peut se détériorer, ce qui peut affecter la capacité de BP2F à effectuer les paiements prévus par les Titres qu'il émet.</p> <p>(e) En cas de situations économiques négatives ou difficiles, BP2F peut avoir des difficultés à obtenir des financements supplémentaires.</p> <p>(f) Les règles fiscales relatives au prix de transfert au Luxembourg engendrent des coûts additionnels qui peuvent évoluer régulièrement.</p> <p><b>Garants</b></p> <p><b>BNPP</b></p> <p>Il existe certains facteurs qui peuvent affecter la capacité de BNPP à remplir ses obligations au titre des Garanties émises dans le cadre de ce Prospectus de Base.</p> <p>Onze catégories principales de risque sont inhérentes aux activités de BNPP :</p> <p>(1) <i>Risque de crédit</i> – le risque de crédit est la probabilité que l'emprunteur de la banque ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et le taux de recouvrement du prêt ou de la créance en cas de défaut sont des éléments essentiels de l'évaluation de la qualité de crédit ;</p> <p>(2) <i>Risque de crédit de la contrepartie</i> – Le risque de crédit de la contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de paiement ou de transactions entre des contreparties. Ces opérations comprennent les contrats financiers bilatéraux, c'est-à-dire de gré à gré (<i>over-the-counter</i> – OTC) qui peuvent exposer la</p>

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		<p>Banque au risque de défaut de sa contrepartie, ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions ou portefeuilles concernés ;</p> <p>(3) <i>Titrisation</i> – La Titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :</p> <ul style="list-style-type: none"> <li>• les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;</li> <li>• la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.</li> </ul> <p>Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;</p> <p>(4) <i>Risque de marché</i> – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.</p> <p>Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.</p> <p>Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.</p> <p>Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.</p> <p>L'absence de liquidité est un facteur important de risque de marché.</p>

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		<p>En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.</p> <p>Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;</p> <p>(5) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défectueux ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.</p> <p>Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.</p> <p>Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (<i>conduct risk</i>), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;</p> <p>(6) <i>Risque de non-conformité et de réputation</i> – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.</p> <p>Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de l'établissement. C'est pour cette raison que la Banque traite le risque</p>

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		<p>de non-conformité en tant que tel.</p> <p>Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.</p> <p>Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par la Banque ;</p> <p>(7) <i>Risque de concentration</i> – Le risque de concentration et son corollaire, les effets de diversification, sont intégrés au sein de chaque risque notamment en ce qui concerne le risque de crédit, le risque de marché et le risque opérationnel via les paramètres de corrélation pris en compte par les modèles traitant de ces risques.</p> <p>Le risque de concentration est apprécié au niveau du Groupe consolidé et du conglomérat financier qu'il représente ;</p> <p>(8) <i>Risque de taux de portefeuille bancaire</i> – Le risque de taux du portefeuille bancaire est le risque de perte de résultats lié aux décalages de taux, d'échéance et de nature entre les actifs et passifs. Pour les activités bancaires, ce risque s'analyse hors du portefeuille de négociation et recouvre essentiellement ce qui est appelé le risque global de taux ;</p> <p>(9) <i>Risque stratégique et risque lié à l'activité</i> – Le risque stratégique est le risque que des choix stratégiques de la Banque se traduisent par une baisse du cours de son action.</p> <p>Le risque lié à l'activité correspond au risque de perte d'exploitation résultant d'un changement d'environnement économique entraînant une baisse des recettes, conjugué à une élasticité insuffisante des coûts.</p> <p>Ces deux types de risque sont suivis par le Conseil d'administration ;</p> <p>(10) <i>Risque de liquidité</i> – Selon la réglementation, le risque de liquidité est défini comme le risque qu'une banque ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques, dans un délai déterminé et à un coût raisonnable ; et</p> <p>(11) <i>Risque de de souscription d'assurance</i> – Le risque de souscription d'assurance est le risque de perte résultant d'une évolution défavorable de la sinistralité des différents engagements d'assurance. Selon l'activité d'assurance (assurance-vie, prévoyance ou rentes), ce risque peut être statistique, macroéconomique,</p>

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		<p>comportemental, lié à la santé publique ou à la survenance de catastrophes. Le risque de souscription d'assurance n'est pas la composante principale des risques liés à l'assurance-vie où les risques financiers sont prédominants.</p> <p>(a) Des conditions économiques et de marché difficiles ont eu et pourraient continuer à avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et en conséquence sur la situation financière, les résultats opérationnels et le coût du risque de la banque.</p> <p>(b) Du fait du périmètre géographique de ses activités, BNPP pourrait être vulnérable aux contextes ou circonstances politiques, macroéconomiques ou financiers d'une région ou d'un pays.</p> <p>(c) L'accès de BNPP au financement et les coûts de ce financement pourraient être affectés de manière défavorable en cas de résurgence des crises financières, de détérioration des conditions économiques, de dégradation de notation, d'accroissement des <i>spreads</i> de crédit ou d'autres facteurs.</p> <p>(d) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou sur la rentabilité de BNPP.</p> <p>(e) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents.</p> <p>(f) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur BNPP.</p> <p>(g) Les fluctuations de marché et la volatilité exposent BNPP au risque de pertes substantielles dans le cadre de ses activités de marché et d'investissement.</p> <p>(h) Les revenus de BNPP tirés des activités de courtage et des activités générant des commissions sont potentiellement vulnérables à une baisse des marchés.</p> <p>(i) Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation peut engendrer des pertes significatives.</p> <p>(j) Des mesures législatives et réglementaires prises en réponse à la crise financière mondiale pourraient affecter de manière substantielle BNPP ainsi que l'environnement financier et économique dans lequel elle opère.</p> <p>(k) BNPP est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.</p>

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

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		<p>On trouvera ci-dessous un récapitulatif de certaines considérations supplémentaires d'investissement liées aux activités de BNPPF :</p> <p>Dix principaux risques sont inhérents aux activités de BNPPF :</p> <p>(1) <i>Risque de crédit</i> – le risque de crédit est la probabilité que l'emprunteur de la banque ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et le taux de recouvrement du prêt ou de la créance en cas de défaut sont des éléments essentiels de l'évaluation de la qualité de crédit ;</p> <p>(2) <i>Risque de crédit de la contrepartie</i> – Le risque de crédit de la contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de paiement ou de transactions entre des contreparties. Ces opérations comprennent les contrats financiers bilatéraux, c'est-à-dire de gré à gré (<i>over-the-counter</i> – OTC) qui peuvent exposer BNPPF au risque de défaut de sa contrepartie, ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions ou portefeuilles concernés ;</p> <p>(3) <i>Titrisation</i> – La Titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :</p> <ul style="list-style-type: none"> <li>• les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;</li> <li>• la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.</li> </ul> <p>Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;</p> <p>(4) <i>Risque de marché</i> – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.</p> <p>Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le</p>

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		<p>prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.</p> <p>Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.</p> <p>Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.</p> <p>L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.</p> <p>Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;</p> <p>(5) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défaillants ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.</p> <p>Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.</p> <p>Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (<i>conduct risk</i>), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation</p>

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		<p>d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;</p> <p>(6) <i>Risque de non-conformité et de réputation</i> – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.</p> <p>Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de l'établissement. C'est pour cette raison que BNPPF traite le risque de non-conformité en tant que tel.</p> <p>Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.</p> <p>Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par BNPPF;</p> <p>(7) <i>Risque de concentration</i> – Le risque de concentration et son corollaire, les effets de diversification, sont intégrés au sein de chaque risque notamment en ce qui concerne le risque de crédit, le risque de marché et le risque opérationnel via les paramètres de corrélation pris en compte par les modèles traitant de ces risques.</p> <p>Le risque de concentration est apprécié au niveau du Groupe consolidé et du conglomérat financier qu'il représente ;</p> <p>(8) <i>Risque de taux de portefeuille bancaire</i> – Le risque de taux du portefeuille bancaire est le risque de perte de résultats lié aux décalages de taux, d'échéance et de nature entre les actifs et passifs. Pour les activités bancaires, ce risque s'analyse hors du portefeuille de négociation et recouvre essentiellement ce qui est appelé le risque global de taux ;</p> <p>(9) <i>Risque stratégique et risque lié à l'activité</i> – Le risque</p>

Elément	Description de l'Elément	
		<p>stratégique est le risque que des choix stratégiques de BNPPF se traduisent par une baisse du cours de son action.</p> <p>Le risque lié à l'activité correspond au risque de perte d'exploitation résultant d'un changement d'environnement économique entraînant une baisse des recettes, conjugué à une élasticité insuffisante des coûts.</p> <p>Ces deux types de risque sont suivis par le Conseil d'administration ;</p> <p>(10) <i>Risque de liquidité</i> – Selon la réglementation, le risque de liquidité est défini comme le risque qu'une banque ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques, dans un délai déterminé et à un coût raisonnable ; et</p> <p>(a) Des conditions macro-économiques et de marché difficiles, y compris, sans caractère limitatif, les inquiétudes concernant la capacité de certains pays de la zone euro à refinancer leur dette, pourraient dans le futur avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et sur la situation financière, les résultats et le coût du risque de BNPPF.</p> <p>(b) Des mesures législatives et réglementaires prises en réponse à la crise financière mondiale pourraient affecter sensiblement BNPPF ainsi que l'environnement financier et économique dans lequel elle opère.</p> <p>(c) L'accès au financement de BNPPF et les conditions de ce financement pourraient être affectés de manière significative en cas d'aggravation de la crise de la dette souveraine, de détérioration des conditions économiques, de dégradation de notation ou d'autres facteurs.</p> <p>(d) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents.</p> <p>(e) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur BNPPF.</p> <p>(f) Les fluctuations des marchés et la volatilité exposent BNPPF à des pertes substantielles sur ses activités de trading et d'investissement pour compte propre.</p> <p>(g) Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné peut peser sur les</p>

Elément	Description de l'Elément	
		<p>résultats et la situation financière de BNPPF.</p> <p>(h) Les revenus tirés par BNPPF des activités de courtage et des activités générant des commissions et autres rémunérations sont potentiellement vulnérables à une baisse des marchés.</p> <p>(i) Les stratégies de couverture mises en place par BNPPF n'écartent pas tout risque de perte.</p> <p>(j) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou la rentabilité de BNPPF.</p> <p>(k) Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation pourrait engendrer des pertes significatives.</p> <p>(l) BNPPF est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.</p> <p>(m) Les politiques, procédures et méthodes de gestion du risque de BNPPF peuvent exposer l'entreprise à des risques non identifiés imprévus ou incorrectement quantifiés, susceptibles de se traduire par des pertes substantielles.</p> <p>(n) Bien que chaque métier de BNPPF assure la gestion de ses risques opérationnels, ces risques restent inhérents à tous les métiers de BNPPF.</p> <p>(o) BNPPF est fortement exposé au risque de contrepartie et exposé à des risques systémiques.</p> <p>(p) Tout préjudice porté à la réputation de BNPPF pourrait nuire à sa compétitivité.</p> <p>(q) Toute interruption ou intrusion dans les systèmes informatiques de BNPPF pourrait entraîner une perte d'activité et d'autres pertes.</p> <p>(r) Des litiges ou autres procédures ou actions judiciaires pourraient avoir un impact négatif sur les activités, la situation financière et les résultats d'exploitation de BNPPF.</p> <p>(s) La comptabilisation à la juste valeur et l'utilisation d'estimations sont des facteurs d'incertitude.</p> <p>(t) Toute détérioration de la notation de crédit de BNP Paribas ou de la qualité de sa dette serait de nature à affecter BNPPF de manière défavorable.</p> <p>(u) Des événements externes imprévus peuvent provoquer une interruption des activités de BNPPF et entraîner des pertes substantielles ainsi que des coûts supplémentaires.</p>

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		<p>(v) En cas de non-conformité avec les lois et règlements applicables, BNPPF pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales, et pourrait subir des pertes à la suite d'un contentieux privé, en lien ou non avec ces sanctions.</p> <p>(w) Une intensification de la concurrence dans l'industrie des services financiers pourrait peser sur les revenus et la rentabilité de BNPPF.</p> <p>(x) Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de BNPPF ainsi que de la dette de BNPPF pourraient avoir un effet sur son résultat net et sur ses capitaux propres.</p> <p>(y) Le changement attendu des principes comptables relatifs aux instruments financiers pourrait avoir un impact sur le bilan de BNPPF ainsi que sur les ratios réglementaires de fonds propres et entraîner des coûts supplémentaires.</p> <p>(z) Il existe des risques liés à la mise en œuvre des plans stratégiques du Groupe BNPP.</p>
<b>D.3</b>	Principaux risques propres aux Titres	<p>En plus des risques (y compris le risque de défaut) qui pourraient affecter la capacité de l'Emetteur à remplir ses obligations au regard des Titres ou la capacité du Garant à remplir ses obligations au titre de la Garantie, il existe certains facteurs qui sont essentiels pour déterminer les risques liés aux Titres émis en vertu de ce Prospectus de Base, ce qui inclus :</p> <p><i>Risques de marché :</i></p> <p>(i) les Titres (autres que les Titres Assortis de Sûretés) sont des obligations non assorties de sûretés ;</p> <p>(ii) les Titres incluant un effet de levier impliquent un niveau de risque plus élevé et, en cas de pertes sur ces Titres, ces pertes peuvent être supérieures à celles d'un titre similaire qui n'inclut aucun effet de levier ;</p> <p>(iii) le cours de négociation des Titres est affecté par plusieurs facteurs, y compris, mais sans caractère limitatif, (concernant les Titres liés à un Sous-Jacent de Référence) le cours du ou des Sous-Jacent(s) de Référence, la durée restant à courir jusqu'à l'expiration ou jusqu'au remboursement et la volatilité, et ces facteurs signifient que le cours de négociation des Titres peut être inférieur au Montant de Remboursement Final, ou à la valeur des Droits à Règlement Physique ;</p>

Elément	Description de l'Elément	
		<p>(iv) dans de nombreux cas, l'exposition au Sous-Jacent de Référence découlera du fait que l'Emetteur concerné conclue des accords de couverture et, en ce qui concerne les Titres indexés sur un Sous-Jacent de Référence, les investisseurs potentiels sont exposés à la performance de ces accords de couverture et aux événements pouvant affecter ces accords, et, par conséquent, la survenance de l'un ou l'autre de ces événements peut affecter la valeur des Titres ;</p> <p>(v) la garantie associée à une ou plusieurs souche(s) de Titres Assortis de Sûretés peut être insuffisante à retirer le risque de crédit d'un Titulaire, sur l'Emetteur ;</p> <p>(vi) en ce qui concerne les Titres Reconditionnés de Valeur Nominale, les Titulaires seront exposés au risque de crédit concernant, entre autres, la Contrepartie du Swap et à l'émetteur des Actifs Donnés en Garantie de Référence. Les investisseurs potentiels sont exposés à la performance de ces entités et des contrats de couverture y afférents. Par conséquent, la réalisation de l'un quelconque de ces événements pourrait affecter la valeur de ces Titres ;</p> <p>(vii) il existe des risques spécifiques liés à des Titres indexés sur un Sous-Jacent de Référence provenant d'un marché émergent ou en développement (y compris, sans caractère limitatif, les risques liés à l'incertitude politique et économique, des politiques gouvernementales défavorables, des restrictions en matière d'investissement étranger et de convertibilité monétaire, des fluctuations des taux de change, le risque lié à des niveaux d'information et de réglementation plus faibles, des incertitudes à propos du statut, de l'interprétation et de l'application des lois, des frais de garde accrus, des difficultés administratives et une plus forte probabilité de survenance d'un cas de perturbation ou d'ajustement). Les Titres négociés sur des marchés émergents ou en voie de développement tendent à être moins liquides et leurs cours plus volatils. Il existe également des risques spécifiques liés aux titres dynamiques, qui sont intrinsèquement plus complexes, ce qui rend leur évaluation difficile en termes de risque à la date d'achat et après.</p> <p><i>Risques liés aux Titulaires</i></p> <p>(viii) les Titres peuvent être soumis à un montant de négociation minimum ; en conséquence, si un Titulaire détient, à la suite du transfert de Titres quelconques, un montant de Titres inférieur au montant de négociation minimum ainsi spécifié, ce Titulaire ne sera pas autorisé à transférer ses Titres restants avant l'expiration ou le remboursement, selon le cas, sans acheter préalablement un nombre de Titres additionnels suffisant pour détenir le montant de</p>

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		<p>négociation minimum ;</p> <p>(ix) les clauses relatives aux assemblées générales des Titulaires permettent à des majorités définies de lier tous les Titulaires ;</p> <p>(x) dans certaines circonstances, les investisseurs risquent de perdre tout leur investissement ;</p> <p><i>Risques liés à l'Emetteur/Garant</i></p> <p>(xi) si les Conditions Définitives en disposent ainsi, l'Emetteur peut choisir de modifier le règlement des Titres ;</p> <p>(xii) une réduction de la notation (éventuelle) accordée aux titres d'emprunt en circulation de l'Emetteur ou du Garant (s'il y a lieu) par une agence de notation de crédit pourrait entraîner une réduction de la valeur de négociation des Titres ;</p> <p>(xiii) certains conflits d'intérêts peuvent surgir (voir Elément E.4 ci-dessous) ;</p> <p>(xiv) dans certaines circonstances (incluant, sans limitation, en conséquence de restrictions sur la convertibilité et de restrictions de transferts) il peut ne pas être possible pour l'Emetteur d'effectuer les paiements relatifs aux Obligations dans la Devise de Règlement spécifiée dans les Conditions Définitives applicables. Dans ces circonstances, le paiement du principal et/ou des intérêts peut intervenir à un moment différent et être effectué en Dollars américains et la valeur de marché d'un tel Titre peut être volatile ;</p> <p><i>Risques Juridiques</i></p> <p>(xv) la survenance d'un cas de perturbation additionnel ou d'un cas de perturbation additionnel optionnel peut conduire à un ajustement des Titres, ou à un remboursement anticipé ou peut avoir pour conséquence que le montant payable à la date de remboursement prévue soit différent de celui qui devrait être payé à ladite date de remboursement prévue, de telle sorte que la survenance d'un cas de perturbation additionnel et/ou d'un cas de perturbation additionnel optionnel peut avoir un effet défavorable sur la valeur ou la liquidité des Titres ;</p> <p>(xvi) dans certaines circonstances, le règlement peut être reporté ou effectué en Dollars américains si la Devise de Règlement spécifiée dans les Conditions Définitives applicables n'est pas librement transférable, convertible ou livrable ;</p> <p>(xvii) des frais et impôts peuvent être payables sur les Titres ;</p> <p>(xviii) les Titres peuvent être remboursés en cas d'illégalité ou autre</p>

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		<p>impossibilité pratique, et ce remboursement peut avoir pour conséquence qu'un investisseur ne réalise aucun retour sur son investissement dans les Titres ;</p> <p>(xix) toute décision judiciaire, tout changement de la pratique administrative ou tout changement de la loi anglaise ou de la loi française, selon le cas, intervenant après la date du Prospectus de Base, pourrait avoir un impact défavorable significatif sur la valeur des Titres ainsi affectés ;</p> <p>(xx) dans certaines circonstances au début d'une période d'offre relative à des Titres mais préalablement à la date d'émission, certaines informations spécifiques (plus particulièrement le prix d'émission, le Taux d'Intérêt fixe, le Taux d'Intérêt Minimum et/ou le Taux d'Intérêt Maximum payable, la Marge appliquée au taux d'intérêt variable payable, le Gearing appliqué à l'intérêt ou à la Formule de Paiement Final, le Gearing Up appliqué à la Formule de Paiement Final, (dans le cas des Titres Autocall, des Titres Autocall One Touch ou des Titres Autocall Standard) le composant Taux FR de la Formule de Paiement Final (qui sera payable si certaines conditions sont remplies, tel que précisé dans les Modalités relatives aux Formules de Paiement Final), le Taux AER Exit utilisé si un Evénement de Remboursement Anticipé Automatique se produit, le Coupon Bonus composant de la Formule de Paiement Final (dans le cas de Titres Vanilla Digital), la composante Up Cap Percentage de la Formule de Paiement Final (dans le cas de Titres Certi plus: Generic, de Titres Certi-Plus: Generic Knock-in et de Titres Certi-Plus: Generic Knock-out), tout Pourcentage Constant (étant l'un des Pourcentage Constant, Pourcentage Constant 1, Pourcentage Constant 2, Pourcentage Constant 3 ou Pourcentage Constant 4) composant de la Formule de Paiement Final (qui sera payable si certaines conditions sont remplies, tel que précisé dans les Modalités relatives aux Formules de Paiement Final), et/ou le Niveau Knock-in et/ou le Niveau Knock-out utilisé pour s'assurer si un Evènement Knock-In ou un Evènement Knock-out, selon le cas, est survenu) pourraient ne pas être connues mais les Conditions Définitives indiqueront une fourchette indicative. Dans certaines circonstances, les investisseurs potentiels devront prendre leur décision d'investissement dans les Titres sur la base de cette fourchette avant que le prix d'émission, le Taux d'Intérêt définitif, le Taux d'Intérêt Minimum définitif, le Taux d'Intérêt Maximum définitif, la Marge définitive, le Gearing définitif, le Gearing Up définitif, le Taux FR définitif, le Taux AER définitif, le Coupon Bonus définitif, l'Up Cap Percentage définitif, tout pourcentage constant définitif, le Knock-in Level définitif et/ou le Knock-out Level définitif, selon le cas, qui s'appliqueront aux Titres leur soient notifiés. La notification des taux, niveaux ou pourcentages définitifs, selon le cas, sera publiée</p>

Elément	Description de l'Elément	
		<p>de la même manière que les Conditions Définitives.</p> <p><i>Risques liés au marché secondaire</i></p> <p>(xxi) le seul moyen permettant à un Titulaire de réaliser la valeur d'un Titre avant sa Date d'Echéance consiste à le vendre à son cours de marché au moment considéré sur un marché secondaire disponible, et il peut n'y avoir aucun marché secondaire pour les Titres (ce qui pourrait signifier qu'un investisseur doit attendre jusqu'à l'exercice ou jusqu'au remboursement des Titres pour réaliser une valeur supérieure à sa valeur de négociation) ;</p> <p>(xxii) un marché secondaire actif ne peut jamais être établi ou peut être non liquide, ce qui peut nuire à la valeur à laquelle un investisseur pourrait vendre ses Titres (les investisseurs pourraient subir une perte partielle ou totale du montant de leur investissement) ;</p> <p>(xxiii) pour certaines émissions de Titres, BNP Paribas Arbitrage S.N.C. est tenue d'agir comme teneur de marché. Dans ces circonstances, BNP Paribas Arbitrage S.N.C. s'efforcera de maintenir un marché secondaire pendant toute la durée de vie des Titres, sous réserve des conditions normales de marché et soumettra au marché des cours acheteur et des cours vendeur. L'écart (<i>spread</i>) entre le cours acheteur et le cours vendeur peut évoluer durant la durée de vie des Titres. Néanmoins, durant certaines périodes il peut être difficile, irréalisable ou impossible pour BNP Paribas Arbitrage S.N.C. de coter des prix "<i>bid</i>" et "<i>offer</i>" et en conséquence il peut être difficile, irréalisable ou impossible d'acheter ou vendre ces Titres durant ces périodes. Cela peut être dû, par exemple, à des conditions défavorables sur le marché, à des prix volatiles ou à des fluctuations importantes du prix, à la fermeture d'une place financière importante ou à des problèmes techniques, tels que la défaillance ou le dysfonctionnement d'un système informatique ou celui d'un réseau internet ;</p> <p><i>Risques liés aux Obligations à Double Devise</i></p> <p>(xxiv) Il existe des risques spécifiques applicables aux Obligations à Double Devise, y compris, sans limitation, l'exposition aux fluctuations des taux de change qui peuvent entraîner des fluctuations significatives dans la valeur des Obligations, le paiement du principal et/ou des intérêts peut intervenir à un autre moment ou dans une autre devise que celui (celle) prévu(e), les investisseurs ne bénéficieront pas de l'évolution favorable des taux de change pendant la durée des Obligations à Double Devise pour lesquelles un taux prédéterminé de change est applicable, le prix de marché de ces Obligations peut être volatil, les Titulaires peuvent avoir besoin de fournir des informations supplémentaires pour</p>

Elément	Description de l'Elément	
		<p>recevoir des paiements dans une devise et la non transmission de ces informations dans les délais impartis pourrait entraîner des retards de paiement ou, dans certaines circonstances, décharger l'Emetteur de ses obligations de paiement, le règlement dans la Devise de Règlement peut entraîner un rendement plus faible que si le règlement avait été fait dans la Devise Spécifiée en raison du risque sur de taux de change, et les Titulaires peuvent, dans des circonstances selon lesquelles il n'est pas possible d'effectuer les paiements du principal et/ou des intérêts dans la Devise de Règlement, ne recevoir aucun intérêt et risquent de perdre la totalité ou une partie significative de leur capital.</p> <p><i>Risques liés aux Sous-Jacents de Référence</i></p> <p>En outre, il existe des risques spécifiques liés aux Titres qui sont indexés sur un Sous-Jacent de Référence (y compris des Titres Hybrides), et un investissement dans ces Titres entraînera des risques significatifs que ne comporte pas un investissement dans un titre de créance conventionnel. Les facteurs de risque liés aux Titres indexés sur un Sous-Jacent de Référence incluent :</p> <ul style="list-style-type: none"> <li>(i) dans le cas de Titres Indexés sur Indice : l'exposition à un ou plusieurs indices, un cas d'ajustement et de perturbation du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur de la liquidité des Titres ;</li> <li>(ii) dans le cas de Titres Indexés sur Action : l'exposition à une ou plusieurs actions, des risques de marché similaires à ceux liés à un investissement direct dans un titre de capital, <i>global depositary receipt</i> ("GDR") ou <i>American depositary receipt</i> ("ADR"), des cas d'ajustement potentiels ou des événements exceptionnels affectant les actions, un dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ;</li> <li>(iii) dans le cas de Titres Indexés sur Matières Premières/Marchandises : l'exposition à une ou plusieurs matières premières/marchandises et/ou à un indice sur matières premières/marchandises, des risques de marchés similaires à ceux d'un investissement direct dans une matière première/marchandise, et des cas de dérèglement du marché et d'ajustement qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres, des retards dans la détermination du niveau final d'un indice sur matières premières/marchandises provoquant des retards de paiement du Montant de Remboursement Final ;</li> <li>(iv) dans le cas de Titres Indexés sur ETI : l'exposition à une ou plusieurs parts dans un fonds indiciel coté en bourse, un titre coté en bourse, une matière première/marchandise cotée en bourse ou tout</li> </ul>

Elément	Description de l'Elément	
		<p>autre produit coté en bourse (chacun, un "<b>instrument coté en bourse</b>" (« <b>ETI</b> »)), des risques similaires à ceux d'un investissement direct dans un instrument coté en bourse, le fait que le montant payable sur des Titres Indexés sur ETI peut être inférieur et, dans certaines circonstances, significativement inférieur au rendement d'un investissement direct dans le ou les ETI concerné(s), des cas d'ajustement potentiel ou des événements exceptionnels affectant les instruments cotés en bourse, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ;</p> <p>(v) dans le cas de Titres Indexés sur l'Inflation : l'exposition à un indice d'inflation et des ajustements ;</p> <p>(vi) dans le cas de Titres Indexés sur Devise : l'exposition à une devise, des risques de marché similaires à ceux d'un investissement direct dans une devise et un cas de dérèglement du marché ;</p> <p>(vii) dans le cas de Titres Indexés sur Fonds : l'exposition à une action ou part de fonds, des risques similaires à ceux d'un investissement direct dans un fonds, le fait que le montant payable sur des Titres Indexés sur Fonds peut être inférieur au montant payable en cas d'investissement direct dans le ou les Fonds concerné(s), des événements exceptionnels concernant le fonds qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres ;</p> <p>(viii) dans le cas de Titres Indexés sur Contrats à Terme : l'exposition à un contrat à terme, des risques de marché similaires à ceux d'un investissement direct dans un contrat à terme, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres ;</p> <p>(ix) dans le cas de Titres Indexés sur un Evénement de Crédit : l'exposition au risque de crédit d'une ou plusieurs entités de référence ;</p> <p>(x) dans le cas de Titres à Taux d'Intérêt Indexé sur Sous-Jacent : l'exposition à un intérêt sous-jacent ou taux CMS ;</p> <p>(xi) dans le cas de Titres Indexés sur Titres de Créance : l'exposition à un titre de créance, des risques de marché similaires à ceux d'un investissement direct en titre de créance, et un cas de dérèglement du marché ;</p> <p>(xii) dans le cas de Titres Indexés sur Titres de Créance ou de Titres Indexés sur Indices lorsque Valorisation du Prix des Instruments à Terme est applicable, l'exposition aux contrats à terme ou contrats d'options liés à des instruments de dettes synthétiques (dans le cas</p>

Elément	Description de l'Elément	
		<p>de Titres Indexés sur Titres de Créance) ou un indice (dans le cas de Titres Indexés sur Indices), des risques de marché similaires à un investissement direct dans de tels contrats à terme ou contrats d'options et des cas de dérèglement de marché ;</p> <p>(xiii) le fait que, sauf stipulation contraire des Conditions Définitives applicables, l'Emetteur ne fournira pas d'informations post-émission sur le Sous-Jacent de Référence.</p> <p><i>Risques liés à des catégories spécifiques de produits</i></p> <p>(a) les risques suivants sont liés aux Produits SPS</p> <p>(i) Produits à pourcentage fixe</p> <p>Les investisseurs reçoivent un retour fixe sur ces Titres. Le paiement peut être utilisé en conjonction avec au moins un autre paiement afin d'assurer aux investisseurs une garantie partielle ou total du capital investi.</p> <p>(ii) Produits Reverse Convertibles</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement indexé sur ces Titres dépend de la performance du ou des Sous-Jacents de Référence, et de la survenance d'un événement déclenchant une barrière activante.</p> <p>(iii) Produits Vanilla</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement dépend de la performance du ou des Sous-Jacents de Référence et de l'application ou non du mécanisme de barrière activante ou désactivante.</p> <p>(iv) Produits Asian</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence qui est déterminé par application d'une méthode utilisant les moyennes. Le rendement dépendra également de l'application ou non de certains mécanismes spécifiques tels que des plafonds ou des <i>lock-in</i>.</p> <p>(v) Produits Auto-callable</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence et de l'application ou non des mécanismes de barrière activante ou désactivante. Les Produits Auto-callable comprennent des mécanismes de</p>

Elément	Description de l'Elément	
		<p>remboursement anticipé automatique. En fonction de la formule applicable, si un évènement de remboursement anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.</p> <p>(vi) Produits indexés</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence et de l'application ou non des mécanismes de barrière activante ou désactivante et/ou de remboursement anticipé automatique. En fonction de la formule applicable, si un évènement de remboursement anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.</p> <p>(vii) Ratchet Products</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence et, est calculé sur la base de la somme des rendements déterminée par l'application d'une formule spécifique (qui peut être limitée par un plafond et/ou un plancher).</p> <p>(viii) Produits Sum</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence et, est calculé sur la base de la somme pondérée des rendements déterminée par l'application de différentes formules de paiement.</p> <p>(ix) Produits Option Max</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence et, est calculé sur la base d'un rendement maximum déterminé par référence à d'autres formules de paiement.</p> <p>(x) Produits Stellar</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement lié aux Titres dépend de la performance d'un panier de Sous-Jacents de Référence et, est calculé sur la base d'une moyenne des rendements de chaque Sous-Jacent de Référence dans le panier (qui peut être limitée par un plafond ou un plancher).</p>

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

Elément	Description de l'Elément	
		modalités des Titres.

### Section E - Offre

Elément	Description de l'Elément	
<b>E.2b</b>	Raisons de l'offre et utilisation du produit de celle-ci	<p><i>Dans le cas de Titres (autres que des Titres Reconditionnés de Valeur Nominale) émis par BNPP B.V. :</i></p> <p>Les produits nets de l'émission des Titres seront affectés aux besoins généraux de financement de l'Emetteur. Ces produits pourront être utilisés pour maintenir des positions sur des contrats d'options ou des contrats à terme ou d'autres instruments de couverture.</p> <p><i>Dans le cas de Titres Reconditionnés de Valeur Nominale émis par BNPP B.V. :</i></p> <p>Les produits nets de l'émission des Titres seront utilisés par BNPP B.V. pour conclure et/ou effectuer des paiements au titre d'un Contrat de Swap ou d'autres instruments de couverture.</p> <p><i>Dans le cas de Titres émis par BP2F :</i></p> <p>Les produits nets de chaque émission des Titres par BP2F seront affectés par BP2F pour ses besoins généraux de financement. Si les produits d'une émission particulière doivent faire l'objet d'une utilisation spécifique, celle-ci sera identifiée dans les Conditions Définitives applicables.</p>
<b>E.3</b>	Modalités et conditions de l'offre	<p>Les titres émis en vertu de ce Prospectus de Base peuvent être offerts au public dans le cadre d'une Offre Non-exemptée en France et au Portugal.</p> <p>Les modalités et conditions de chaque offre de Titres seront déterminées d'un commun accord entre l'Emetteur et les Agents Placeurs concernés à la date de l'émission et spécifiées dans les Conditions Définitives applicables. Un Investisseur qui a l'intention d'acquérir ou qui acquiert des Titres dans le cadre d'une Offre Non-exemptée auprès d'un Offreur Autorisé le fera, et les offres et ventes de tels titres à un Investisseur par cet Offreur Autorisé se feront conformément aux conditions et autres modalités en place entre cet Offreur Autorisé et l'Investisseur en question, notamment en ce qui concerne le prix, les attributions et les conditions de règlement.</p>
<b>E.4</b>	Intérêt de personnes physiques et morales pouvant influencer sur l'émission/l'offre	<p>Les Agents Placeurs concernés peuvent recevoir des commissions en relation avec toute émission de Titres dans le cadre de ce Prospectus de Base. Ces Agents Placeurs et leurs affiliés peuvent également avoir conclu et pourront conclure à l'avenir des opérations de banque d'investissement et/ou de banque commerciale avec l'Emetteur et le Garant (éventuel) et leurs affiliés respectifs et pourront leur fournir d'autres services dans le cadre de l'exercice de leur activité courante.</p>

Elément	Description de l'Elément	
		<p>Différentes entités du Groupe BNPP (y compris les Emetteurs et les Garants) et leurs Affiliés peuvent assumer différents rôles en relation avec les Titres, y compris celui d'Emetteur des Titres, d'Agent de Calcul des Titres, et d'émetteur, sponsor ou agent de calcul du/des Sous-Jacent(s) de Référence, Contrepartie du Swap, Contrepartie à la Pension Livrée, Contrepartie à l'Echange de Collatéral et peuvent également se livrer à des activités de négociation (y compris des activités de couverture) portant sur le Sous-Jacent de Référence et d'autres instruments ou produits dérivés s'appuyant sur le Sous-Jacent de Référence ou y afférents, qui peuvent générer des conflits d'intérêts potentiels.</p> <p>L'Agent de Calcul ou l'Agent de Calcul des Sûretés peut être un Affilié de l'Emetteur ou du Garant (s'il y a lieu) concerné, et des conflits d'intérêts potentiels peuvent exister entre l'Agent de Calcul et les titulaires des Titres.</p> <p>Les Emetteurs, les Garants et leurs Affiliés peuvent également émettre d'autres instruments dérivés au titre du Sous-Jacent de Référence et peuvent agir en qualité de membre d'un syndicat de placement d'offres futures d'actions ou autres titres se rapportant à une émission de Titres, ou peuvent agir en qualité de conseiller financier de certaines sociétés ou de sociétés dont les actions ou autres titres sont inclus dans un panier, ou en qualité de banque commerciale pour ces sociétés.</p> <p>En ce qui concerne les Titres Indexés sur des ETI et les Titres Indexés sur des Fonds, l'Emetteur concerné ou l'un ou plusieurs de ses Affiliés peuvent se livrer de temps à autre à des opérations avec l'ETI ou le Fonds concerné, selon le cas, ou avec des sociétés dans lesquelles un ETI ou un Fonds (selon le cas) investit, et peuvent être rémunérés pour la fourniture de ces services. Ces activités pourraient générer certains conflits d'intérêts.</p>
<b>E.7</b>	Dépenses facturées à l'investisseur par l'Emetteur	Il n'est pas prévu que l'Emetteur facture des dépenses aux investisseurs en relation avec toute émission de Titres dans le cadre du Programme.

**PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME IN RELATION TO THIS BASE PROSPECTUS<sup>6</sup>**

*Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for this type of Securities[.][ and] Issuer[ and Guarantor]. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of Securities[.][ and] Issuer[ and Guarantor(s)], it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.*

**Section A - Introduction and warnings**

Element	Title	
A.1	Warning that the summary should be read as an introduction and provision as to claims	<ul style="list-style-type: none"> <li>• <b>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. In this summary, unless otherwise specified and except as used in the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BP2F dated 9 June 2016 as supplemented from time to time under the Note, Warrant and Certificate Programme of BNPP B.V., BNPP and BP2F. In the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BP2F dated 9 June 2016.</b></li> <li>• <b>Any decision to invest in any Securities should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></li> <li>• <b>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></li> <li>• <b>No civil liability will attach to the Issuer [or the Guarantor] in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of the Base Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to</b></li> </ul>

<sup>6</sup> Items in square brackets in this Issue Specific Summary shall be deleted or completed as required, depending on the terms of each issue of Securities, as completed by the applicable Final Terms.

Element	Title	
		<b>aid investors when considering whether to invest in the Securities.</b>
A.2	Consent as to use the Base Prospectus, period of validity and other conditions attached	<p>[Not applicable – the Securities are not being offered to the public as part of a Non-exempt Offer.]</p> <p>[<i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Non-exempt Offer of Securities by the Managers[, <i>[names of specific financial intermediaries listed in final terms]</i>], [and] [each financial intermediary whose name is published on [BNPP's website (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>)] [BP2F's website (<a href="http://www.bp2f.lu">www.bp2f.lu</a>) and BNPPF's website (<a href="http://www.bnpparibasfortis.be/emissions">www.bnpparibasfortis.be/emissions</a>)] and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being duly completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "Securities") described in the Final Terms dated [insert date] (the "Final Terms) published by [ ] (the "Issuer)". In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."</i>]</p> <p><i>Offer period:</i> The Issuer's consent referred to above is given for Non-exempt Offers of Securities during [<i>offer period for the issue to be specified here</i>] (the "<b>Offer Period</b>").</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; and (b) only extends to the use of the Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in [<i>specify each Relevant Member State in which the particular Tranche of Securities can be offered</i>].</p> <p><b>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING</b></p>

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

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

Element	Title	
<b>B.1</b>	Legal and commercial name of the Issuer	<p>[Insert where BNPP B.V. is the Issuer: BNP Paribas Arbitrage Issuance B.V. ("BNPP B.V." or the "Issuer").]</p> <p>[Insert where BP2F is the Issuer: BNP Paribas Fortis Funding ("BP2F" or the "Issuer").]</p>
<b>B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<p>[Insert where BNPP B.V. is the Issuer:</p> <p>The Issuer was incorporated in the Netherlands as a private company with limited liability under Dutch law having its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands.]</p> <p>[Insert where BP2F is the Issuer:</p> <p>The Issuer was incorporated as a <i>société anonyme</i> under the laws of the Grand Duchy of Luxembourg and has its registered office at 19, rue Eugène Ruppert L-2453 Luxembourg, Grand Duchy of Luxembourg.]</p>
<b>B.4b</b>	Trend Information	<p>[Insert where BP2F is the Issuer:</p> <p><b>Macroeconomic environment</b></p> <p>Market and Macroeconomic conditions affect BP2F's results. The nature of BP2F's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>7</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries.</p> <p>BP2F is dependent upon BNPPF. BP2F is 99.995% owned by BNPPF and is specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, set up and sold to</p>

<sup>7</sup>

See: IMF – October 2015 Financial Stability Report, Advanced Countries and January 2016 update

Element	Title		
		<p>investors via intermediaries, including BNPPF. BP2F enters into hedging transactions with BNPPF and with other entities of the BNP Paribas Group. As a consequence, the Trend Information with respect to BNPPF shall also apply to BP2F. BP2F may also enter into hedging transactions with third parties not belonging to the BNP Paribas Group.]</p> <p><i>[Insert where BNPP B.V. is the Issuer:</i></p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, setup and sold to investors by other companies in the BNPP Group (including BNPP). The securities are hedged by acquiring hedging instruments from BNP Paribas and BNP Paribas entities as described in Element D.2 below. As a consequence, the Trend Information described with respect to BNPP shall also apply to BNPP B.V.]</p>	
B.5	Description of the Group	<p><i>[Insert where BNPP B.V. is the Issuer:</i> BNPP B.V. is a wholly owned subsidiary of BNP Paribas. BNP Paribas is the ultimate holding company of a group of companies and manages financial operations for those subsidiary companies (together the "<b>BNPP Group</b>").]</p> <p><i>[Insert where BP2F is the Issuer:</i> BNP Paribas Fortis Funding is a subsidiary of BNP Paribas Fortis SA/NV and acts as a financing vehicle for BNP Paribas Fortis SA/NV and the companies controlled by BNP Paribas Fortis SA/NV. BNP Paribas Fortis SA/NV is in turn a subsidiary of BNP Paribas which is the ultimate holding company of a group of companies and manages financial operations for those subsidiary companies (together the "<b>BNPP Group</b>").]</p>	
B.9	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Issuer in the Base Prospectus to which this Summary relates.	
B.10	Audit report qualifications	[Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.][The audit report on the historical financial information included in the Base Prospectus contains the following qualification(s): <i>[describe qualification(s)]</i> ]	
B.12	Selected historical key financial information:  <i>[Insert where BNPP B.V. is the Issuer:</i>		
		<b>Comparative Annual Financial Data - In EUR</b>	
		<b>31/12/2015 (audited)</b>	<b>31/12/2014 (audited)</b>
	Revenues	315,558	432,263
	Net income, Group share	19,786	29,043
Total balance sheet	43,042,575,328	64,804,833,465	

Element	Title		
	Shareholders' equity (Group share)	464,992	445,206]
	<i>[Insert where BP2F is the Issuer:</i>		
	<b>Comparative Annual Financial Data:</b>		
		<b>31/12/2015 (audited)</b>	<b>31/12/2014 (audited)</b>
		EUR	EUR
	<b>Selected items of the Balance Sheet</b>		
	Assets		
	Financial fixed assets (amounts owed by affiliated undertakings)	5,330,470,858	5,470,070,451
	Current assets (Debtors - Amounts owed by affiliated undertakings becoming due and payable within one year)	220,350,482	415,475,284
	Total assets	5,635,897,265	5,977,141,866
	Liabilities		
	Capital and reserves	5,588,465	6,691,167
	Subordinated debts	960,621,698	1,233,153,404
	Non-subordinated debts		
	Non-convertible loans		
	- becoming due and payable within one year	1,134,209,104	358,648,783
	- becoming due and payable after more than one year	3,121,497,621	3,808,557,061
	<b>Charges &amp; Income: selected items</b>		
	Income from financial fixed assets derived from affiliated undertakings	114,658,978	128,272,799
	Total income	454,645,617	431,761,255
	Interest and other financial charges	420,146,066	401,166,435
	Profit for the financial year	677,298	844,457
	<i>Statements of no significant or material adverse change</i>		

Element	Title	
		<p>There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).</p> <p>[There has been no significant change in the financial or trading position of [BNPP B.V.][BP2F] since 31 December 2015 and there has been no material adverse change in the prospects of [BNPP B.V.][BP2F] since 31 December 2015.]</p>
<b>B.13</b>	Events impacting the Issuer's solvency	<p>[Not applicable, as at [●] and to the best of the Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since: 31 December 2015]. <i>[Specify any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency.]</i></p>
<b>B.14</b>	Dependence upon other group entities	<p>The Issuer is dependent upon BNPP and other members of the BNPP Group. See also Element B.5 above.</p> <p><i>[Insert where BNPP B.V. is the Issuer: BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, setup and sold to investors by other companies in the BNPP Group (including BNPP). The securities are hedged by acquiring hedging instruments from BNP Paribas and BNP Paribas entities as described in Element D.2 below.]</i></p>
<b>B.15</b>	Principal activities	<p><i>[Insert where BNPP B.V. is the Issuer:</i></p> <p>The principal activity of the Issuer is to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the BNPP Group.]</p> <p><i>[Insert where BP2F is the Issuer:</i></p> <p>The Issuer's main object is to grant loans to BNP Paribas Fortis SA/NV and its affiliates. In order to implement its main object, BP2F may issue bonds or similar securities, raise loans, with or without a guarantee and in general have recourse to any sources of finance. BP2F can carry out any operation it perceives as being necessary to the accomplishment and development of its business, whilst staying within the limits of the Luxembourg law of 10 August 1915 on commercial companies (as amended).]</p>
<b>B.16</b>	Controlling shareholders	<p><i>[Insert where BNPP B.V. is the Issuer: BNP Paribas holds 100 per cent. of the share capital of the Issuer.]</i></p> <p><i>[Insert where BP2F is the Issuer: BNP Paribas Fortis SA/NV holds 99.995 per cent. of the share capital of the Issuer].</i></p>

Element	Title	
B.17	Solicited credit ratings	<p>[Insert where BNPP B.V. is the Issuer: BNPP B.V.'s long term credit ratings are A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS) and BNPP B.V.'s short term credit ratings are A-1 (Standard &amp; Poor's Credit Market Services France SAS).]</p> <p>[Insert where BP2F is the Issuer: BP2F's senior unsecured credit ratings are [A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS)], [A2 with a stable outlook (Moody's France SAS)] and [A+ with a stable outlook (Fitch Ratings Limited)] and BP2F's short-term credit ratings are [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's France SAS)] and [F1 (Fitch Ratings Limited)].]</p> <p>[The Securities [have [not] been/are expected to be] rated [[●] by [●]]. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>
B.18	Description of the Guarantee	<p>[Insert where BNPP B.V. is the Issuer of unsecured Securities: Unsecured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP ("<b>BNPP</b>" or the "<b>Guarantor</b>") pursuant to an English law deed of guarantee for unsecured Securities executed by BNPP on or around 9 June 2016 "<b>Guarantee</b>"). The obligations under the guarantee are direct unconditional, unsecured and unsubordinated obligations of BNPP and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of BNPP (save for statutorily preferred exceptions). In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the guarantee itself is not the subject of such bail-in).</p> <p>[Insert where BNPP B.V. is the Issuer of secured Securities: Secured Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNPP pursuant to an English law deed of guarantee for Secured Securities executed by BNPP on or around 9 June 2016. The obligations under the guarantee are direct unconditional, unsecured and unsubordinated obligations of BNPP and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of BNPP (save for statutorily preferred exceptions). In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the guarantee itself is not the subject of such bail-in).</p>

Element	Title	
		<p>[Insert where BP2F is the Issuer: The Securities will be unconditionally and irrevocably guaranteed by BNP Paribas Fortis SA/NV ("<b>BNPPF</b>" or the "<b>Guarantor</b>") pursuant to an English law deed of guarantee executed by the Guarantor on or around 9 June 2016 (the "<b>Guarantee</b>"). The obligations under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of BNPPF and rank pari passu (subject to mandatorily preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of BNPPF.]</p>
<b>B.19</b>	<p>[If the Securities are guaranteed, insert:</p> <p>Information about the Guarantor</p>	
<b>B.19/ B.1</b>	Legal and commercial name of the Guarantor	[BNP Paribas] [BNP Paribas Fortis SA/NV, acting under the commercial name of BNP Paribas Fortis]
<b>B.19/ B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<p>[Insert where BNPP is the Guarantor: The Guarantor was incorporated in France as a <i>société anonyme</i> under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.]</p> <p>[Insert where BNPPF is the Guarantor: The Guarantor was incorporated as a public company with limited liability ("<i>société anonyme/naamloze vennootschap</i>") under the laws of Belgium with its registered office at 1000 Brussels, Montagne du Parc 3 and is a credit institution governed by the Belgian Law of 25 April 2014 on the status and supervision of credit institutions (the "<b>Belgian Banking Law</b>").]</p>
<b>B.19/ B.4b</b>	Trend information	<p>[Insert where BNPP is the Guarantor:</p> <p><b>Macroeconomic environment.</b></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>8</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries.</p>

<sup>8</sup>

See: IMF – October 2015 Financial Stability Report, Advanced Countries and January 2016 update

Element	Title	
		<p>In that context, two risks can be identified:</p> <p><i>Financial instability due to the vulnerability of emerging countries</i></p> <p>While the exposure of the BNP Paribas Group in emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group and potentially alter its results.</p> <p>In numerous emerging economies, an increase in foreign currency commitments was observed in 2015, while the levels of indebtedness (both in foreign and local currencies) are already high. Moreover, the prospects of a progressive hike in key rates in the United States (first rate increase decided by the Federal Reserve in December 2015), as well as tightened financial volatility linked to the concerns regarding growth in emerging countries, have contributed to the stiffening of external financial conditions, capital outflows, further currency depreciations in numerous emerging countries and an increase in risks for banks. This could lead to the downgrading of sovereign ratings.</p> <p>Given the possible standardisation of risk premiums, there is a risk of global market disruptions (rise in risk premiums, erosion of confidence, decline in growth, postponement or slowdown in the harmonisation of monetary policies, drop in market liquidity, problem with the valuation of assets, shrinking of the credit offering, and chaotic de-leveraging) that would affect all banking institutions.</p> <p><i>Systemic risks related to economic conditions and market liquidity</i></p> <p>The continuation of a situation with exceptionally low interest rates could promote excessive risk-taking by certain financial players: increase in the maturity of loans and assets held, less stringent loan granting policies, increase in leverage financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment of relatively weak market liquidity.</p> <p>Such liquidity pressure could be exacerbated by the recent increase in the volume of assets under management placed with structures investing in illiquid assets.</p> <p><i>Laws and regulations applicable to financial institutions.</i></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on the Bank notably include:</p>

Element	Title	
		<ul style="list-style-type: none"> <li>- the structural reforms comprising the French banking law of 26 July 2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks, and expected potential changes in Europe;</li> <li>- regulations governing capital: CRD IV/CRR, the international standard for total loss-absorbing capacity ("TLAC") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the European Single Supervisory Mechanism ordinance of 6 November 2014;</li> <li>- the Directive of 16 April 2014 related to deposit guarantee schemes and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework;</li> <li>- the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>- the Final Rule by the US Federal Reserve imposing tighter prudential rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the US (capitalised and subject to regulation) to house their US subsidiaries;</li> <li>- the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</li> <li>- the new MiFID and MiFIR, and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies.</li> </ul> <p><i>Cyber risk</i></p> <p>In recent years, financial institutions have been impacted by a number of cyber incidents, notably involving large-scale alterations of data which compromise the quality of financial information. This risk remains today and BNPP, like</p>

Element	Title	
		<p>other banks, has taken measures to implement systems to deal with cyber attacks that could destroy or damage data and critical systems and hamper the smooth running of its operations. Moreover, the regulatory and supervisory authorities are taking initiatives to promote the exchange of information on cyber security and cyber criminality in order to improve the security of technological infrastructures and establish effective recovery plans after a cyber incident.]</p> <p>[Insert where BNPPF is the Guarantor:</p> <p><b>Macroeconomic environment.</b></p> <p>Market and Macroeconomic conditions affect BNPPF's results. The nature of BNPPF's business makes it particularly sensitive to macroeconomic and market conditions in Europe, which have been at times challenging and volatile in recent years.</p> <p>In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of the US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>9</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries.</p> <p>While the exposure of the BNP Paribas Group in emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group (including BNPP) and potentially alter its results.</p> <p>In numerous emerging economies, an increase in foreign currency commitments was observed in 2015, while the levels of indebtedness (both in foreign and local currencies) are already high. Moreover, the prospects of a progressive hike in key rates in the United States (first rate increase decided by the Federal Reserve in December 2015), as well as tightened financial volatility linked to the concerns regarding growth in emerging countries, have contributed to the stiffening of external financial conditions, capital outflows, further currency depreciations in numerous emerging countries and an increase in risks for banks. This could lead to the downgrading of sovereign ratings.</p> <p>Given the possible standardisation of risk premiums, there is a risk of global market disruptions (rise in risk premiums, erosion of confidence, decline in growth, postponement or slowdown in the harmonisation of monetary policies, drop in market liquidity, problem with the valuation of assets, shrinking of the credit offering, and chaotic de-leveraging) that would affect all banking</p>

<sup>9</sup> See: IMF – October 2015 Financial Stability Report, Advanced Countries and January 2016 update

Element	Title	
		<p>institutions.</p> <p>The continuation of a situation with exceptionally low interest rates could promote excessive risk-taking by certain financial players: increase in the maturity of loans and assets held, less stringent loan granting policies, increase in leverage financing.</p> <p>Some players (insurance companies, pension funds, asset managers, etc.) entail an increasingly systemic dimension and in the event of market turbulence (linked for instance to a sudden rise in interest rates and/or a sharp price correction) they may decide to unwind large positions in an environment of relatively weak market liquidity.</p> <p>Such liquidity pressure could be exacerbated by the recent increase in the volume of assets under management placed with structures investing in illiquid assets.</p> <p><b><i>Laws and Regulations Applicable to Financial Institutions.</i></b></p> <p>Laws and regulations applicable to financial institutions that have an impact on BNPPF have significantly evolved in the wake of the global financial crisis. The measures that have been proposed and/or adopted in recent years include more stringent capital and liquidity requirements (particularly for large global banking groups such as the BNP Paribas Group), taxes on financial transactions, restrictions and taxes on employee compensation, limits on the types of activities that commercial banks can undertake and ring-fencing or even prohibition of certain activities considered as speculative within separate subsidiaries, restrictions on certain types of financial products, increased internal control and reporting requirements, more stringent conduct of business rules, mandatory clearing and reporting of derivative transactions, requirements to mitigate risks in relation to over-the-counter derivative transactions and the creation of new and strengthened regulatory bodies.</p> <p>The measures that were recently adopted, or in some cases proposed and still under discussion, that have or are likely to affect BNPPF, include in particular the EU Directive and Regulation on prudential requirements "CRD IV" dated 26 June 2013 and many of whose provisions have been applicable since 1 January 2014; the proposals of technical regulatory and execution rules relating to the Directive and Regulation CRD IV published by the EBA; the Belgian Banking Law dated 25 April 2014 replacing the previous law of 1993 and introducing important changes; the Belgian Royal Decree dated 22 February 2015 determining the entry into force of the Belgian Banking Law provisions relating to resolution (including the establishment of a Belgian Resolution Authority) and creating two preferential rights on the bank's movables; the Belgian Royal Decree dated 18 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions and the Royal Decree of 26 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions relating to the resolution and recovery of group failures; the public consultation for the reform of the</p>

Element	Title										
		<p>structure of the EU banking sector of 2013 and the European Commission's proposed regulation on structural measures designed to improve the strength of EU credit institutions of 29 January 2014; the proposal for a regulation on indices used as benchmarks in financial instruments and financial contracts; the European Single Supervisory Mechanism; the European Single Resolution Mechanism dated 15 July 2014 and the European Directive on Bank Recovery and Resolution dated 15 May 2014; the European Directive on Revised Deposit Guarantee Schemes dated 16 April 2014; the final rule for the regulation of foreign banks imposing certain liquidity, capital and other prudential requirements adopted by the U.S. Federal Reserve; the proposal of the U.S. Federal Reserve relating to liquidity ratios of large banks; and the "Volcker" Rule imposing certain restrictions on investments in or sponsorship of hedge funds and private equity funds and proprietary trading activities (of U.S. banks and to some extent non-U.S. banks) that was recently adopted by the U.S. regulatory authorities. More generally, regulators and legislators in any country may, at any time, implement new or different measures that could have a significant impact on the financial system in general or BNPPF in particular.]</p>									
<b>B.19/B.5</b>	Description of the Group	<p>[Insert where BNPP is the Guarantor: BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It is present in 75 countries and has more than 189,000 employees, including close to 147,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "<b>BNPP Group</b>").]</p> <p>[Insert where BNPPF is the Guarantor: The Guarantor holds 99.995 per cent. of the share capital of the Issuer and is part of the BNPP Group. See Element B.5 above.]</p>									
<b>B.19/B.9</b>	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Guarantor in the Base Prospectus to which this Summary relates.									
<b>B.19/ B.10</b>	Audit report qualifications	[Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.] / [The audit report on the historical financial information included in the Base Prospectus contains the following qualifications(s): <i>[describe qualification(s)]</i> ]									
<b>B.19/ B.12</b>	<p>Selected historical key financial information:</p> <p>[Insert where BNPP is the Guarantor:</p> <p><b>Comparative Annual Financial Data - In millions of EUR</b></p>	<table border="1"> <thead> <tr> <th data-bbox="576 1821 842 1888"></th> <th data-bbox="842 1821 1158 1888">31/12/2015 (audited)</th> <th data-bbox="1158 1821 1458 1888">31/12/2014* (audited)</th> </tr> </thead> <tbody> <tr> <td data-bbox="576 1888 842 1955">Revenues</td> <td data-bbox="842 1888 1158 1955">42,938</td> <td data-bbox="1158 1888 1458 1955">39,168</td> </tr> <tr> <td data-bbox="576 1955 842 2022">Cost of risk</td> <td data-bbox="842 1955 1158 2022">(3,797)</td> <td data-bbox="1158 1955 1458 2022">(3,705)</td> </tr> </tbody> </table>		31/12/2015 (audited)	31/12/2014* (audited)	Revenues	42,938	39,168	Cost of risk	(3,797)	(3,705)
	31/12/2015 (audited)	31/12/2014* (audited)									
Revenues	42,938	39,168									
Cost of risk	(3,797)	(3,705)									

Element	Title		
	Net income, Group share	6,694	157
		<b>31/12/2015</b>	<b>31/12/2014*</b>
	Common equity Tier 1 ratio (Basel 3 fully loaded CRD4)	10.9%	10.3%
		<b>31/12/2015 (audited)</b>	<b>31/12/2014* (audited)</b>
	Total consolidated balance sheet	1,994,193	2,077,758
	Consolidated loans and receivables due from customers	682,497	657,403
	Consolidated items due to customers	700,309	641,549
	Shareholders' equity (Group share)	96,269	89,458
* Restated according to the IFRIC 21 interpretation]			
<b>Comparative Interim Financial Data – In millions of EUR</b>			
		<b>1Q16</b> <b>(unaudited)</b>	<b>1Q15</b> <b>(unaudited)</b>
	Revenues	10,844	11,065
	Cost of risk	(757)	(1,044)
	Net income, Group share	1,814	1,648
		<b>31/03/2016</b> <b>(unaudited)</b>	<b>31/12/2015</b> <b>(unaudited)</b>
	Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.0%	10.9%
		<b>31/03/2016</b>	<b>31/12/2015</b> <b>(audited)</b>
	Total consolidated balance sheet	2,121,021	1,994,193
	Consolidated loans and receivables due from customers	691,620	682,497
	Consolidated items due to customers	710,173	700,309
	Shareholders' equity (Group share)	98,549	96,269]
[Insert where BNPPF is the Guarantor:			

Element	Title		
	<b>Comparative Annual Financial Data – In millions of EUR</b>		
		<b>31/12/2015 (audited)</b>	<b>31/12/2014* (audited)</b>
	Revenues	7,235	7,011
	Cost of risk	(431)	(283)
	Net Income	2,016	1,663
	Net Income attributable to shareholders	1,575	1,246
	Total Consolidated Balance Sheet	273,683	275,206
	Shareholders' equity	18,754	20,255
	Consolidated loans and receivables due from customers	176,640	166,851
	Consolidated items due to customers	176,161	167,800
	Tier 1 Capital	18,401	18,840
	Tier 1 Ratio	14.4%	14.7%
	Total Capital	21,215	21,349
	Total Capital Ratio	16.6%	16.6%
	<i>* Figures of 2014 have been restated according to IFRIS 21.</i>		
	<b><i>Statements of no significant or material adverse change</i></b>		
	See Element B.12 above in the case of the BNPP Group.		
	<i>[Insert where BNPP is the Guarantor:</i>		
	There has been no material adverse change in the prospects of BNPP since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).]		
	<i>[Insert where BNPPF is the Guarantor:</i>		
	There has been no significant change in the financial or trading position of BNPPF since 31 December 2015 and no material adverse change in the prospects of BNPPF since 31 December 2015.]		
<b>B.19/ B.13</b>	Events impacting the Guarantor's solvency	<p>[As at [●] and to the best of the Guarantor's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since 31 December 2015.]</p> <p><i>[Specify any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency.]</i></p>	

Element	Title	
B.19/ B.14	Dependence upon other Group entities	<p><i>[Insert where BNPP is the Guarantor:</i> Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group.</p> <p>In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (BP<sup>2</sup>I) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNPP and several BNPP subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013.</p> <p>BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to monitor the entity and bring it back into the Group if necessary.</p> <p>ISFS, a fully-owned IBM subsidiary, handles IT Infrastructure Management for BNP Paribas Luxembourg.</p> <p>BancWest's data processing operations are outsourced to Fidelity Information Services. Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary.]</p> <p><i>[Insert where BNPPF is the Guarantor:</i> The Guarantor is dependent upon BNPP and other members of the BNPP Group.]</p> <p>See also Element B.5 above.</p>
B.19/ B.15	Principal activities	<p><i>[Insert where BNPP is the Guarantor:</i></p> <p>BNP Paribas holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services</b>, which includes: <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Financial Services, comprising:</li> </ul> </li> </ul>

Element	Title	
		<ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Insurance,</li> <li>• Wealth and Asset Management;</li> <li>• <b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.]</li> </ul> </li> </ul> <p>[Insert where BNPPF is the Guarantor: The Guarantor's object is to carry on the business of a credit institution, including brokerage and transactions involving derivatives. It is free to carry out all businesses and operations which are directly or indirectly related to its purpose or which are of a nature that benefit the realisation thereof. BNPPF is free to hold shares and share interests within the limits set by the legal framework for banks.]</p>
<b>B.19/ B.16</b>	Controlling shareholders	<p>[Insert where BNPP is the Guarantor: None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2015, the main shareholders are Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a <i>public-interest société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 10.2% of the share capital, BlackRock Inc. holding 5.1% of the share capital and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and BlackRock Inc. owns more than 5% of its capital or voting rights.]</p> <p>[Insert where BNPPF is the Guarantor: BNP Paribas holds 99.93 per cent. of the share capital of the Guarantor.]</p>
<b>B.19/ B.17</b>	Solicited credit ratings	<p>[Insert where BNPP is the Guarantor: BNPP's long-term credit ratings are [A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS)], [A1 with a stable outlook (Moody's Investors Service Ltd.)], [A+ with a stable outlook (Fitch France S.A.S.)] and [AA (low) with a stable outlook (DBRS Limited)] and BNPP's short-term credit ratings are [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's Investors Service Ltd.)], [F1 (Fitch France S.A.S.)] and [R-1 (middle) (DBRS Limited)].</p>

Element	Title	
		<p>[Insert where BNPPF is the Guarantor: BNPPF's long-term credit ratings are [A with a stable outlook (Standard &amp; Poor's Credit Market Services France SAS)], [A2 with a stable outlook (Moody's France SAS)] and [A+ with a stable outlook (Fitch Ratings Limited)] and BNPPF's short-term credit ratings are [A-1 (Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's France SAS)] and [F1 (Fitch Ratings Limited)].]</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>
[B.20]	Statement as to whether the Issuer has been established for the purpose of issuing asset backed securities	Only BNPP B.V. may issue the Secured Securities. BNPP B.V. has not been established as a special purpose vehicle or entity for the purpose of issuing asset backed securities.] [Insert where Securities are Nominal Value Repack Securities]
[B.21]	Issuer's principal business activities and overview of the parties to the transaction (including direct or indirect ownership)	<p>BNPP B.V. is a BNP Paribas Group issuance vehicle, specifically involved in the issuance of structured securities, which are developed, setup and sold to investors by other companies in the group. The issuances are backed by a matching derivative contract with BNP Paribas Arbitrage S.N.C. or BNPP ensuring a match of BNPP B.V.'s assets and liabilities.</p> <p>BNP Paribas Arbitrage S.N.C., which acts as a manager in respect of the Note, Warrant and Certificate Programme[, and as calculation agent in respect of the Securities] and BNP Paribas Securities Services, Luxembourg Branch which acts, among other things, as principal paying agent in respect of certain series of Securities and as collateral custodian are subsidiaries of BNPP which acts as [swap counterparty][,] [repo counterparty][and collateral exchange counterparty] in respect of this series of Secured Securities.][Insert where Securities are Nominal Value Repack Securities]</p>
[B.22]	Statement regarding non-commencement of operations and no financial statements	Not applicable as BNPP B.V. has already commenced activities and has published audited financial accounts for the years ended 31 December 2014 and 31 December 2015.] [Insert where Securities are Nominal Value Repack Securities]
[B.23]	Selected historical key financial information of the Issuer	See Element B.12][Insert where Securities are Nominal Value Repack Securities]
[B.24]	Description of any material adverse change since the date of the Issuer's last published audited financial statements	Not applicable as there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2015.]
[B.25]	Description of the	The Charged Assets are the assets on which the Nominal Value Repack

Element	Title	
	underlying assets	<p>Securities are secured and have characteristics that demonstrate capacity to produce funds to service the payments due and payable in respect of the Nominal Value Repack Securities.</p> <p>The "<b>Charged Assets</b>" comprise:</p> <p>(a) one or more over-the-counter derivative contract(s) documented in a master agreement, as published by the International Swaps and Derivatives Association, Inc. ("<b>ISDA</b>"), between the Issuer and the Swap Counterparty and a confirmation incorporating by reference certain definitions published by ISDA, as amended from time to time,[ together with any credit support annex thereto] (together, the "<b>Swap Agreement</b>") [and a credit support deed entered into connection therewith];</p> <p>[(b) [<i>insert description of the Reference Collateral Assets, if applicable</i>] issued by [identify the RCA Issuer] (the "<b>RCA Issuer</b>") (the "<b>Reference Collateral Assets</b>");]</p> <p>[(c) [ a repurchase agreement entered into by the Issuer with BNPP (the "<b>Repo Counterparty</b>") (the "<b>Repurchase Agreement</b>") (as further described in Element B.29 below);]</p> <p>[(d) [a collateral exchange agreement entered into by the Issuer with BNPP (the "<b>Collateral Exchange Counterparty</b>") (the "<b>Collateral Exchange Agreement</b>") (as further described in Element B.29 below)]; and</p> <p>[(e) BNPP's rights under the Agency Agreement against the principal paying agent and the Collateral Custodian in respect of the relevant series of Secured Securities.</p> <p>The Swap Counterparty is [BNPP] (the "<b>Swap Counterparty</b>").</p> <p>[BNPP is the Repo Counterparty]/[BNPP is the Collateral Exchange Counterparty]</p> <p>The name, address and a brief description of BNP Paribas is set out at Element B.2 above. BNP Paribas is a French law <i>société anonyme</i> incorporated in France and licensed as a bank. BNP Paribas is domiciled in France with its registered address at 16 boulevard des Italiens - 75009 Paris (France).</p> <p>[Under the Repurchase Agreement, the Issuer will enter into a series of repurchase transactions (each a "<b>Repo Transaction</b>") with the Repo Counterparty in respect of securities which are "<b>Repo Collateral Securities</b>".</p> <p>Under such Repurchase Transactions, the Repo Counterparty will be the seller of Repo Collateral Securities and the Issuer will be the buyer.</p> <p>Under the Repurchase Agreement on each repurchase date, the Repo Counterparty will repurchase securities equivalent to the Repo Collateral</p>

Element	Title	
		<p>Securities sold by it on the previous purchase date for a consideration equal to the purchase price for that Repo Transaction together with the accrued interest for that Repo Transaction (together, in each case, the "<b>Repurchase Price</b>").</p> <p>The Repo Counterparty may deliver to the Issuer new Repo Collateral Securities in substitution or exchange for existing Repo Collateral Securities, provided that the new Repo Collateral Securities are of a value at least equal to the securities initially purchased for which they are substitutes.]</p> <p>[Under the Collateral Exchange Agreement, the Collateral Exchange Counterparty may, at its option, enter into transactions (each an "<b>Exchange Transaction</b>") with the Issuer in respect of the relevant Reference Collateral Assets. Under such Exchange Transactions, the Issuer will transfer to the Collateral Exchange Counterparty all or part of the Reference Collateral Assets (the "<b>Received Collateral</b>") and the Collateral Exchange Counterparty will transfer Replacement Collateral Assets to the Issuer. Subject to the circumstances in which the Collateral Exchange Agreement will terminate early (as described below), the Exchange Transactions shall terminate on the maturity date of the Reference Collateral Assets (or on any earlier date as specified by the Collateral Exchange Counterparty) and the Collateral Exchange Counterparty will transfer securities equivalent to the Received Collateral which it received to the Issuer on such date and the Issuer will transfer securities equivalent to the Replacement Collateral Assets which it received.]</p> <p>See Element B.29 for further detail in relation to the expected cash flows under the Swap Agreement and the Reference Collateral Assets[, the Repurchase Agreement and the Collateral Exchange Agreement].</p> <p>The Charged Assets are available exclusively to satisfy the claims of the secured parties (being each of the Security Trustee, any receiver, the holders of Securities[,][and] the Swap Counterparty[,][and] the Repo Counterparty] [and the Collateral Exchange Counterparty].</p> <p>The Charged Assets will not comprise real property and no reports on the value of any Charged Assets will be prepared by the Issuer or provided to investors.][<i>Insert where Securities are Nominal Value Repack Securities</i>]</p>
[B.26	Parameters within which investments in respect of an actively managed pool of assets backing the issue	Not applicable as the Charged Assets are not intended to be traded or otherwise actively managed by the Issuer.][ <i>Insert where Securities are Nominal Value Repack Securities</i> ]
[B.27	Statement regarding fungible issues	The Issuer may issue further securities that will be fungible with the Secured Securities.][ <i>Insert where Securities are Nominal Value Repack Securities</i> ]
[B.28	Description of the structure of the	The security in respect of the Nominal Value Repack Secured Securities will be constituted by the relevant supplemental trust deed in respect of the Secured

Element	Title	
	transactions	<p>Securities which incorporates master trust terms agreed between the Issuer and the Security Trustee (the "<b>Security Trust Deed</b>").</p> <p>On or before the Issue Date, the Issuer will enter into the Swap Agreement and on or around the Issue Date (subject to any applicable settlement grace period), the Issuer will [acquire the Reference Collateral Assets][enter into the Repurchase Agreement and acquire the Repo Collateral Securities] [and enter into the Collateral Exchange Agreement with the Collateral Exchange Counterparty].</p> <p>Pursuant to the Swap Agreement, the Issuer will hedge its obligations in respect of interest payments (if any) and the Final Redemption Amount in respect of the Securities.][<i>Insert where Securities are Nominal Value Repack Securities</i>]</p>
[B.29	Description of cashflows	<p><b>Swap Agreement</b></p> <p>On the Issue Date of a series of Nominal Value Repack Securities, the Issuer will pay an amount to the Swap Counterparty equal to the net proceeds of the issue of the Securities and on or around the Issue Date the Swap Counterparty will pay amounts equal to the purchase price of the relevant Reference Collateral Assets to the Issuer which the Issuer will [use to purchase the relevant Reference Collateral Assets] [pay such amount to the Repo Counterparty to purchase the relevant Repo Collateral Securities.]</p> <p>[Under the Swap Agreement, on each repurchase date under the Repurchase Agreement the Issuer will pay an amount (if any) equal to the Repo Price Differential Amount (as defined below) due to be received on the relevant Repurchase Date (as defined below) to the Swap Counterparty provided that no [Automatic Early Redemption Event,] Early Redemption Event or Event of Default has occurred.]</p> <p>[On each interest payment date under the Reference Collateral Assets, the Issuer will pay an amount in the currency in which the Reference Securities are denominated equal to the Reference Collateral Coupon Amount (as defined below) [due to be received] [actually received] by the Issuer on the relevant Reference Collateral Interest Payment Date (as defined below) to the Swap Counterparty provided that no Early Redemption Event or Event of Default has occurred.]</p> <p>Where one or more interest amounts is payable, the Swap Counterparty will pay an amount to the Issuer which will be equal to such interest amount payable on the Securities (each, an "<b>Interim Payment Amount</b>") on or before the date on which such payment is due to be made by the Issuer provided that no [Automatic Early Redemption Event,] Early Redemption Event, or Event of Default has occurred.</p> <p>[If an Automatic Early Redemption Event occurs, the Swap Counterparty will on or prior to the relevant Automatic Early Redemption Date pay an amount to the Issuer which will be equal to the relevant Automatic Early Redemption</p>

Element	Title	
		<p>Amount, provided that no Early Redemption Event or Event of Default has occurred and the Issuer will pay the proceeds it receives from the from the Repo Counterparty under the Repurchase Agreement to the Swap Counterparty provided that no Early Redemption Event or Event of Default has occurred.]</p> <p>On or prior to the Maturity Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Redemption Amounts that the Issuer is scheduled to pay in respect of the Securities, provided that no [Automatic Early Redemption Event,] Early Redemption Event or Event of Default has occurred.</p> <p>The Issuer's obligation under the Swap Agreement will be to pay to the Swap Counterparty [the scheduled amount of principal payable under the Reference Collateral Assets] [the amounts scheduled to be received from the Repo Counterparty where it has entered into a Repurchase Agreement] whether or not the full amount is actually received by the Issuer [the scheduled amount of interest payable under the Reference Collateral Assets] [and] [any interest actually received by the Issuer in respect of the Reference Collateral Assets].</p> <p><b><i>Reference Collateral Assets</i></b></p> <p>The Issuer will use the amount it receives under the Swap Agreement to [purchase the Reference Collateral Assets for a series of Nominal Value Repack Securities] [pay the purchase price for the Repo Collateral Securities to the Repo Counterparty].</p> <p>[On each interest payment date under the Reference Securities (each a "<b>Reference Collateral Interest Payment Date</b>"), the RCA Issuer will pay an amount of interest to the Issuer in respect of the principal amount of the Reference Securities held by the Issuer at such time (each such amount, a "<b>Reference Collateral Coupon Amount</b>").</p> <p>The Issuer will pay the Reference Collateral Coupon Amount it receives under the Reference Collateral Assets to the Swap Counterparty under the Swap Agreement.</p> <p>On its final maturity date, the issuer of the Reference Collateral Assets will pay to the Issuer the final redemption amount in respect of the Reference Collateral Assets (the "<b>Scheduled Final Bond Payment</b>") which the Issuer will pay to the Swap Counterparty under the Swap Agreement provided that no [Automatic Early Redemption Event,] Early Redemption Event or Event of Default has occurred.]</p> <p><b><i>[Repurchase Agreement</i></b></p> <p>The Issuer will use the amount received from the Swap Counterparty to purchase Repo Collateral Securities with a value equal to the aggregate Nominal Amount (or a proportion of such amount) of the relevant series pursuant to the Repurchase Agreement.</p>

Element	Title	
		<p>On each relevant repurchase date under the Repurchase Agreement, the Repo Counterparty will pay an amount to the Issuer in respect of the Repo Transaction which has just terminated which will be equal to the sum of the purchase price and any price differential which has accrued during the Repo Transaction (each such amount, a "<b>Repo Price Differential Amount</b>"). The Issuer will pay the Repo Price Differential Amount received under the Repurchase Agreement to the Swap Counterparty.</p> <p>On the final repurchase date under the Repurchase Agreement, the Repo Counterparty will pay to the Issuer an amount equal to the purchase price for the relevant Repo Transaction (the "<b>Final Repurchase Price Payment</b>") and the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the Final Repurchase Price Payment received by the Issuer on such date to the Swap Counterparty provided that no [Automatic Early Redemption Event,] Early Redemption Event or Event of Default has occurred.]</p> <p>[If an Automatic Early Redemption Event occurs, provided that no Early Payment Event or Event of Default has occurred, the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the amount received by the Issuer under the Repurchase Agreement from the Repo Counterparty on or around the Automatic Early Redemption Date.]</p> <p><b><i>[Collateral Exchange Agreement</i></b></p> <p>Where a Collateral Exchange Agreement is entered into in respect of a series of Nominal Value Repack Securities, the Collateral Exchange Counterparty will pay any amount it receives in respect of the Received Collateral (net of deductions or withholding for tax) to the Issuer and the Issuer will pay any amount it receives in respect of the Replacement Collateral Assets (net of deductions or withholding for tax) to the Collateral Exchange Counterparty. In addition, the Collateral Exchange Counterparty may pay a fee to the Issuer which the Issuer will pay to the Swap Counterparty.]</p> <p>Please also see Element B.25 above.][<i>Insert where Securities are Nominal Value Repack Securities</i>]</p>
<b>[B.30</b>	Name and a description of the originators of securitised assets	<p>BNP Paribas] is the counterparty to the Swap Agreement [and the Repurchase Agreement][and the Collateral Exchange Agreement].</p> <p>[[BNPP] is the counterparty to the [Repurchase Agreement][the Collateral Exchange Agreement].</p> <p>[[Specify] is the issuer of the Reference Collateral Assets.] [<i>Insert brief description of RCA Issuer</i>]</p> <p>Please also see Element B.25 above.][<i>Insert where Securities are Nominal Value Repack Securities</i>]</p>

## Section C – Securities

Element	Title	
C.1	Type and class of Securities/ISIN	<p>The Securities are notes ("<b>Notes</b>") and are issued in Series. The Series Number of the Securities is [●]. The Tranche number is [●].</p> <p>The ISIN is: [●].</p> <p>The Common Code is: [●].</p> <p>The Mnemonic Code is: [●].</p> <p>[The Securities will be consolidated and form a single series with [<i>identify earlier Tranches</i>] on [the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, which is expected to occur on or about [<i>specify date</i>]].]</p> <p>The Securities are [cash settled Securities/physically settled Securities].</p>
C.2	Currency	<p>[The currency of this Series of Securities is [●] ([●])]</p> <p>[The Notes are denominated in [<i>specify currency</i>] (the "<b>Specified Currency</b>"), and amounts payable on the Notes in respect of [interest] [and] [principal] are payable in [<i>specify currency</i>] (the "<b>Settlement Currency</b>").]</p>
C.5	Restrictions on free transferability	<p>The Securities will be freely transferable, subject to the offering and selling restrictions in the United States, the European Economic Area, France, Portugal, Japan and Australia and under the Prospectus Directive and the laws of any jurisdiction in which the relevant Securities are offered or sold.</p>
C.8	Rights attaching to the Securities	<p>Securities issued under the Base Prospectus will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p>[<i>In the case of unsecured Securities issued by BNPP B.V.:</i></p> <p>The Securities [and the relative Coupons] constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Issuer (save for statutorily preferred exceptions).]</p> <p>[<i>In the case of secured Securities issued by BNPP B.V.:</i></p> <p>Securities issued on a secured basis ("<b>Secured Securities</b>") constitute unsubordinated and secured obligations of BNPP B.V. and will rank <i>pari passu</i> among themselves.]</p> <p>[<i>In the case of Securities issued by BP2F:</i></p> <p>The Securities [and the relative Coupons] constitute direct, unconditional,</p>

Element	Title	
		<p>unsubordinated and unsecured and general obligations of the Issuer and rank <i>pari passu</i> (subject to mandatorily preferred debts under applicable laws) without any preference among themselves and at least equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations, including guarantees and other obligations of a similar nature of the Issuer.]</p> <p><b>[Secured Securities</b></p> <p>[BNPP B.V. will grant a security interest in favour of [BNP Paribas Trust Corporation UK Limited] [●] (the "<b>Collateral Agent</b>") on behalf of the Collateral Agent and the relevant holders of Securities over assets (such assets, the "<b>Collateral Assets</b>") held in one or more accounts with [●] (each a "<b>Collateral Account</b>").</p> <p>[BNPP B.V. will grant a security interest in favour of [The Law Debenture Trust Corporation p.l.c.] [●] (the "<b>Security Trustee</b>") on behalf of the Security Trustee and the relevant holders of Securities over assets (such assets, the "<b>Collateral Assets</b>") held in one or more accounts with [●] (each a "<b>Collateral Account</b>"). ]</p> <p>[The Secured Securities will be secured by the same pool of Collateral Assets as other series of Secured Securities][The Secured Securities will be the only series of Secured Securities secured by the Collateral Assets held in the Collateral Account] (the "<b>Collateral Pool</b>").</p> <p>[The Collateral Assets in the Collateral Pool will be [one or more of] the following:</p> <p>(a) [[cash in Euro]/[cash in [●]]</p> <p>(b) [common] [ordinary] shares or stock;[preference shares or stock;] [convertible common shares or stock;] [convertible preference shares or stock;] [American depositary receipts;] [global depositary receipts] [warrants] [●] [which represents a share of an equity interest in an entity]("Eligible Equity Collateral") [issued by[●[●] ]/[with ISIN [[●] ]:] ]</p> <p>(c) [Linked 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 [●]:]</p> <p>[The Collateral Assets in the Collateral Pool will be the Reference Collateral Assets.]</p> <p>[The Issuer will provide Collateral Assets in respect of the nominal amount (the "<b>nominal value</b>") of the Secured Securities ("<b>Nominal Value Collateralisation</b>") [part of the nominal value of the Secured Securities</p>

Element	Title	
		<p>("Partial Nominal Value Collateralisation") [the marked to market value of the Secured Securities ("MTM Collateralisation")] [part of the marked to market value of the Secured Securities ("Partial MTM Collateralisation")].</p> <p>[If the Secured Securities are Collateral Asset Linked Securities:</p> <p>The Secured Securities are "<b>Collateral Asset Linked Securities</b>" and the Issuer will provide collateral in respect of the nominal amount (the "<b>nominal value</b>") of the Secured Securities ("<b>Nominal Value Collateralisation</b>")][part of the nominal value of the Secured Securities ("<b>Partial Nominal Value Collateralisation</b>") (such collateral, the "<b>Reference Collateral Assets</b>") [and, in addition, the 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 "<b>MTM Adjustable Assets</b>")].</p> <p>The Reference Collateral Assets in the Collateral Pool will be [one or more of] the following:</p> <p>(a) [[cash in Euro]/[cash in [●]]]</p> <p>(b) [common] [ordinary] shares or stock;[preference shares or stock;] [convertible common shares or stock;] [convertible preference shares 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]</p> <p>(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 [●].</p> <p>[The MTM Adjustable Assets in the Collateral Pool will be [one or more of] the following:</p> <p>(a) [[cash in Euro]/[cash in [●]]][.];]</p> <p>(b) [common] [ordinary] shares or stock;[preference shares or stock;] [convertible common shares or stock;] [convertible preference shares 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]</p> <p>(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</p>

Element	Title	
		<p style="text-align: center;">Collateral][Eligible Fund Collateral][issued by[●]/[with ISIN [●]:]]</p> <p>The Reference Collateral Assets [and the MTM Adjustable Assets] [and any assets received by the Issuer under a credit support annex [and any Replacement Collateral Assets] constitute the "Collateral Assets" for the Secured Securities.]</p> <p>[The Issuer will not hold Collateral Assets in respect of Secured Securities where it or one of its affiliates is the beneficial owner of such Secured Securities.]</p> <p>[The Issuer will acquire Reference Collateral Assets in respect of [the nominal value of the relevant Secured Securities] [part of the nominal value of the relevant Secured Securities].]</p> <p>[Following the realisation, or enforcement, of the security with respect to the Collateral Pool if the amount paid to holders of Securities in respect of a series of Secured Securities is less than the amount payable in respect of such Secured Securities following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP.] [On enforcement of the security interest with respect to the Collateral Pool, the Collateral Assets and/or the value realised for any of the Collateral Assets which are sold in connection with the enforcement and delivery will be delivered to the relevant holders of Securities [and no shortfall will be calculated [where such Collateral Assets are delivered.]]]</p> <p>[The amount payable in respect of the Secured Securities following the realisation or enforcement of the security with respect to a Collateral Pool will be the[ Security Value Termination Amount] [Security Value Realisation Proceeds] [Partial Nominal Value Realisation Proceeds] [Nominal Value Amount] [Shortfall Value Amount][[the Realisation Proceeds] [Nominal Value Realisation Proceeds] [Partial Nominal Value Realisation Proceeds [Physical Delivery of Collateral] (the "<b>Security Termination Amount</b>").]</p> <p>[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.]</p> <p>[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</p>

Element	Title	
		<p>amount equal to the Security MTM Termination Amount and the aggregate Nominal Shortfall Amount will be payable to the relevant holders. Following the realisation, or enforcement, of the security with respect to the Collateral Pool, the amount paid by BNPP B.V. in respect of (i) the marked to market value of the option which BNPP B.V. will enter into in order to hedge its obligations and (ii) the nominal amount of the Securities which is not collateralised, is less than the sum of the Security MTM Termination Amount and the aggregate Nominal Shortfall Amount following such [realisation or] enforcement and [payment], such shortfall shall be irrevocably guaranteed by BNPP.]</p> <p>[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 proceeds received by the Issuer in respect of the other Charged Assets (if any) will be payable to the relevant holders after payment of all amounts due in accordance with the relevant priority of payments in priority to amounts due to the 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 Charged Assets in respect of the relevant series of Secured Securities is less than the Security Termination Amount following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP.]</p> <p>[The Secured Securities will also be subject to one or more Early Redemption Events which will be events affecting the Securities leading to the early redemption of the Secured Securities by payment of an early redemption amount or by delivery of the relevant Reference Collateral Assets. Such events include additional disruption events, or optional additional disruption events where the Calculation Agent determines it is not possible to make a suitable adjustment to the terms of the Securities, termination of the related Swap Agreement, Repurchase Agreement or Collateral Exchange Agreement, events linked to the value of the Reference Collateral Assets, the Secured Securities or the Swap Agreement, events relating to the tax treatment of payments under the relevant Reference Collateral Assets, change in law events affecting the Reference Collateral Assets or the entity which issues the Reference Entity Collateral Assets, events relating to defaults, early redemptions or payment failures relating to the Reference Collateral Assets, events such as bankruptcies or restructurings with respect to one or more of the issuer of the Reference Collateral Assets, its parent (if any) or any guarantor and other events which may be triggered by events occurring with respect to one or more of the issuer of the Reference Collateral Assets, its parent (if any) or any guarantor of the Reference Collateral Assets or, where specified, a certain other specified entity and may, if so specified, be triggered by events occurring with respect to obligations meeting certain characteristics of such entities which may include but will not be limited to the relevant Reference Collateral Assets.</p> <p>Upon the occurrence of one of these Early Redemption Events, the Reference</p>

Element	Title	
		<p>Collateral Assets will be sold or, where specified in the applicable Final Terms, delivered to the holders of the relevant Secured Securities after deduction of amounts or sale of Reference Collateral Assets (where physical settlement is applicable) to pay amounts due in priority to the holders including, without limitation, where applicable, termination payments due to the Swap Counterparty, Repo Counterparty or Collateral Exchange Counterparty.]</p> <p><b><i>Taxation</i></b></p> <p><i>[Insert in the case of Notes if No-Gross up is not applicable:</i></p> <p><i>[Where BNPP B.V. is the Issuer, insert:</i></p> <p>All payments in respect of Notes will be made without deduction for or on account of withholding taxes imposed by France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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.), unless such deduction or withholding is required by law. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.]</p> <p><i>[Where BP2F is the Issuer, insert:</i></p> <p>All payments in respect of Notes will be made without deduction for or on account of withholding taxes imposed by Luxembourg or any political subdivision thereof or any authority or agency therein or thereof having the power to tax or, where applicable, (in the case of the Guarantor) Belgium or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless such deduction or withholding is required by law. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.]]</p> <p><i>[Insert if No Gross-up is applicable: Neither the Issuer [nor the Guarantor] shall be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer [or the Guarantor] shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.]</i></p> <p>Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements</p>

Element	Title	
		<p>thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 6) any law implementing an intergovernmental approach thereto, and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.</p> <p><b><i>Negative pledge</i></b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p> <p><b><i>Events of Default</i></b></p> <p>The terms of the Notes will contain events of default including non-payment, non-performance or non-observance of the Issuer's [or Guarantor's] obligations in respect of the Securities; the insolvency or winding up of the Issuer or [Guarantor]; [<i>Insert where BP2F is the Issuer: default by the Issuer or Guarantor in payment on other loan indebtedness of or assumed or guaranteed by the Issuer or Guarantor of at least EUR 50,000,000 or its equivalent in any other currency;.</i>]</p> <p><b><i>Meetings</i></b></p> <p>[The terms of the Securities will contain provisions for calling meetings of holders of such Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.]</p> <p><b><i>Governing law</i></b></p> <p>The Note Agency Agreement (as amended, supplemented and/or restated from time to time), the Deed of Covenant (as amended, supplemented and/or restated from time to time), the Guarantees in respect of the Notes, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Note Agency Agreement (as amended, supplemented and/or restated from time to time), the Deed of Covenant (as amended, supplemented and/or restated from time to time), the Guarantees, the Notes (except as aforesaid), the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law.</p>
C.9	Interest/Redemption	<p><b><i>[Interest]</i></b></p> <p>[<i>Insert in the case of non-interest bearing Notes: The Securities do not bear or pay interest [insert in the case of Notes sold at a discount to their nominal amount: and will be offered and sold at a discount to their nominal amount].</i>]</p> <p>[The Securities [[bear/pay] interest] [from their date of issue/from [●]] at the fixed rate of [●] per cent. per annum. [The yield of the Notes is [●] per cent.] [Interest] will be paid [annually] [in arrear] on [●] in each year. The first [interest] payment will be made on [●].]</p> <p>[The Securities [[bear/pay] interest] [from their date of issue/from [●]] at</p>

Element	Title	
		<p>floating rates calculated by reference to [<i>specify reference rate for Securities being issued</i>] [plus/minus] a margin of [●] per cent. [Interest] will be paid [quarterly/semi-annually/annually] [in arrear] on [●] in each year[, subject to adjustment for non-business days]. The first [interest] payment will be made on [●].]</p> <p>[The Securities [[bear/pay] interest] [from their date of issue/from [●]] at [a structured rate calculated by reference to [<i>insert underlying</i>] (the "<b>Underlying Reference(s)</b>")]. [Interest] will be paid [quarterly/semi-annually/annually] [in arrear] on [●] in each year. The first [interest] payment will be made on [●].</p> <p>The [interest] rate is calculated as set out below:</p> <p><b>[SPS Fixed Coupon]</b></p> <p><b>[SPS Variable Amount Coupon]</b></p> <p><b>[Digital Coupon]</b></p> <p><b>[Snowball Digital Coupon]</b></p> <p><b>[Accrual Digital Coupon]</b></p> <p><b>[Stellar Coupon]</b></p> <p><b>[Cappuccino Coupon]</b></p> <p><b>[Ratchet Coupon]</b></p> <p><b>[Driver Coupon]</b></p> <p><b>[Nova Coupon]</b></p> <p><b>[Sum Coupon]</b></p> <p><b>[Option Max Coupon]</b></p> <p><b>[FX Vanilla Coupon]</b></p> <p><b>[FI Digital Coupon]</b></p> <p><b>[FX Digital Coupon]</b></p> <p><b>[Range Accrual Coupon]</b></p> <p><b>[FX Range Accrual Coupon]</b></p> <p><b>[FX Memory Coupon]</b></p> <p><b>[Combination Floater Coupon]</b></p> <p><b>[PRDC Coupon]</b></p>

Element	Title	
		<p><b>[FI Digital Floor Coupon]</b></p> <p><b>[FI Digital Cap Coupon]</b></p> <p><b>[FI Target Coupon]</b></p> <p><i>[Insert if Coupon Switch is applicable: If [the Issuer elects that the [rate of interest] be amended][an Automatic Coupon Switch Event occurs], the [rate of interest] of the Securities will be amended and on and after the Coupon Switch Date [notified to investors] [immediately following the occurrence of the Automatic Coupon Switch Event] the Securities will [[bear/pay] interest] at [specify rate].</i></p> <p>[In respect of each [Note of a nominal amount equal to the Calculation Amount], an Additional Switch Coupon Amount of [specify] will be payable on the Interest Payment Date specified in the applicable Final Terms as the Automatic Switch Coupon Payment Date.]</p> <p><b>"Automatic Coupon Switch Event"</b> means [specify].]</p> <p><b>"Coupon Switch Date(s)"</b> means [specify].]</p> <p><i>[Insert in the case of Credit Securities if applicable:</i></p> <p>If an Event Determination Date (being the occurrence of a credit event and satisfaction of certain conditions) occurs in respect of any Reference Entity, interest will cease to accrue on the relevant portion of each Credit Security (corresponding to a pro rata share per Credit Security of the [reference entity notional amount] [writedown amount] of the affected Reference Entity) with effect from and including the [[interest period end date] [interest payment date] immediately preceding such Event Determination Date or, in the case of the first interest period, the interest commencement date] [Event Determination Date].</p> <p>[The above provisions are subject to adjustment as provided in the conditions of the Credit Securities to take into account events in relation to the Underlying Reference or the Credit Securities. This may lead to adjustments being made to the Credit Securities [or, in some cases, the Credit Securities being terminated early at an early redemption amount (see below)].]</p> <p><i>[Insert in the case of Dual Currency Interest Notes:</i></p> <p>Any amount calculated to be payable in respect of interest will be converted into the Settlement Currency at [specify fixed exchange rate or exchange rate (including any rates of exchange pursuant to which the relevant rate of exchange is derived), including sources (if any) by which such exchange rate is determined and time/date when such exchange rates will be determined.]</p> <p>The above provisions are subject to adjustment as provided in the conditions of the Notes to take into account events in relation to the Specified Currency.</p>

Element	Title	
		<p>This may lead to delays in the payment of interest, or such payments being made in a different currency than expected. In such circumstances, Noteholders may also be required to provide certain information to the Issuer (including, <i>inter alios</i>, specifying an account into which they can receive the relevant currency), and payments by the Issuer may be delayed or the Issuer may be discharged from its payment obligations in respect of the Notes, if Noteholders fail to provide the requested information within the prescribed time period.]</p> <p><b>Redemption</b></p> <p>Unless previously redeemed, each Security will be redeemed on [●] [at [par]/[[●] per cent of its nominal amount]][as set out in Element C.18].</p> <p>[<i>Insert if Payout Switch is applicable:</i> If [the Issuer elects that the [redemption/payment Basis] [Final Payout] be amended][an Automatic Payout Switch Event occurs], the [redemption/payment Basis] [Final Payout] of the Securities will be amended on and after [●] (the "<b>Payout Switch Date</b>") to [<i>specify switched payout</i>].</p> <p>"<b>Automatic Payout Switch Event</b>" means [<i>specify</i>].]</p> <p>The Notes may be redeemed early for tax reasons at the Early Redemption Amount calculated in accordance with the Conditions. [The Notes may also be redeemed early at the [option of the Issuer] [or] [option of the Noteholders] at the Optional Redemption Amount equal to:</p> <p>[Calculation Amount x [●] per. cent]</p> <p>[SPS Call Payout [in the case of Notes early redeemed at the option of the Issuer]]</p> <p>[SPS Put Payout [in the case of Notes early redeemed at the option of the Noteholders]].]</p> <p>[The Notes may also be redeemed early for [<i>specify any other early redemption option applicable to the Securities being issued</i>] at [<i>specify the early redemption amount and any maximum or minimum redemption amounts, applicable to the Securities being issued.</i>].]</p> <p>[<i>Insert in the case of Dual Currency Redemption Notes:</i></p> <p>Any amount calculated to be payable on redemption of the Notes will be converted into the Settlement Currency at [<i>specify fixed exchange rate or exchange rate (including any rates of exchange pursuant to which the relevant rate of exchange is derived), including sources (if any) by which such exchange rate is determined and time/date when such exchange rate will be determined.</i>].]</p>

Element	Title	
		<p>The above provisions are subject to adjustment as provided in the conditions of the Notes to take into account events in relation to the Specified Currency. This may lead to delays in the payment of principal, or such payments being made in a different currency than expected. In such circumstances, Noteholders may also be required to provide certain information to the Issuer (including, <i>inter alios</i>, specifying an account into which they can receive the relevant currency), and payments by the Issuer may be delayed or the Issuer may be discharged from its payment obligations in respect of the Notes, if Noteholders fail to provide the requested information within the prescribed time period.]</p> <p><b>Representative of Holders</b></p> <p>[No representative of the Holders has been appointed by the Issuer.]</p> <p>Please also refer to item C.8 above for rights attaching to the Securities.</p>
C.10	Derivative component in the interest payment	<p>[Not applicable] [Payments of interest in respect of the Securities will be determined by reference to the performance of the Underlying Reference(s).]</p> <p>Please also refer to Elements C.9 above and C.15 below.]</p>
C.11	Admission to Trading	<p>[Application [has been][is expected to be] made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [Euronext Paris]/[the Luxembourg Stock Exchange]/[the Italian Stock Exchange]/[Euronext Brussels]/[NASDAQ OMX Helsinki Ltd.]/[Nordic Growth Market]/[●].]</p> <p>[The Securities are not intended to be admitted to trading on any market.]</p>
[C.12	Minimum denomination of issue	<p>The minimum denomination is /[●].][<i>Insert where Securities are Nominal Value Repack Securities</i>]</p>
C.15	How the value of the investment in the derivative securities is affected by the value of the underlying assets	<p>The [<i>If the Securities pay interest, insert:</i> amount payable in respect of interest and ] [amount payable][assets deliverable] on redemption [is/are] calculated by reference to the Underlying Reference(s). See item C.9 above and C.18 below.</p>
C.16	Maturity of the derivative Securities	<p>The Maturity Date of the Securities is [●]</p>
C.17	Settlement Procedure	<p>This Series of Securities is [cash/physically] settled.</p> <p>The Issuer [has/does not have] the option to vary settlement. [[The Holder may elect for settlement by way of cash payment or by way of physical delivery.] The Guarantor may vary settlement.]</p>
C.18	Return on derivative securities	<p>See Element C.8 above for the rights attaching to the Securities.</p> <p>[See Element C.9 above for information on interest.]</p>

Element	Title	
		<p><b><i>Final Redemption</i></b></p> <p>Unless previously redeemed or purchased and cancelled, each Security will be redeemed by the Issuer on the Maturity Date at <i>[Insert in the case of cash settled Notes: [●]/[the Final Redemption Amount equal to:]]</i><i>[Insert in the case of physically settled Notes: by delivery of the Entitlement Amount, being the quantity of [specify relevant assets] (the "Relevant Assets") equal to:]</i></p> <p><i>[[If the Notes are Credit Securities and if an Event Determination Date occurs in respect of any Reference Entity, [the relevant portion of] each Credit Security [(corresponding to a pro rata share per Credit Security of the triggered portion of the reference entity notional amount of the affected Reference Entity)] will be redeemed [at its pro rata share of the [Auction Settlement Amount, subject to fallback settlement] [Credit Event Cash Settlement Amount]] [by physical settlement]] [the outstanding principal amount of each Credit Security will be reduced by a pro rata share of the related writedown amount of the affected Reference Entity and each Credit Security will be redeemed on the latest credit note settlement date at the remaining [outstanding principal amount per Credit Security] [(plus a pro rata share per Credit Security of aggregate incurred recovery amounts (if any) less aggregate unwind costs)] [specify other relevant redemption or settlement amount].</i></p> <p>If no Event Determination Date occurs <i>[in respect of any Reference Entity]</i>, each <i>[Credit Security will be redeemed at the outstanding principal amount per Credit Security [(or the relevant portion thereof)]].]</i></p> <p><b><i>Final Payouts</i></b></p> <p><b>[Structured Products Securities (SPS) Final Payouts</b></p> <p><b>[Fixed Percentage Securities:</b> fixed term products which have a return equal to a fixed percentage.]</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Reverse Convertible Securities:</b> fixed term products which have a return linked to both the performance of the Underlying Reference(s) and a knock-in level. There is no capital protection.]</p> <p><b>[Reverse Convertible]</b></p>

Element	Title	
		<p><b>[Reverse Convertible Standard]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Vanilla Securities]:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various mechanisms [(including a [knock-in]/[knock-out] feature)]. There is [total]/[partial]/[no capital protection].</p> <p><b>[Call]</b></p> <p><b>[Call Spread]</b></p> <p><b>[Put]</b></p> <p><b>[Put Spread]</b></p> <p><b>[Digital]</b></p> <p><b>[Knock-in Call]</b></p> <p><b>[Knock-out Call]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Asian Securities]:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s) determined through an averaging method. [The return calculation is based on various mechanisms (including [a cap][lock-in features]).] There is [total]/[partial]/[no capital protection].</p> <p><b>[Asian]</b></p> <p><b>[Asian Spread]</b></p> <p><b>[Himalaya]</b></p>

Element	Title	
		<p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Auto-callable Securities:</b> fixed term products that include an automatic early redemption feature. The return is linked to the performance of the Underlying Reference(s), calculation being based on various mechanisms [(including knock-in features)]. There is [total]/[partial]/[no capital protection].</p> <p><b>[Autocall]</b></p> <p><b>[Autocall One Touch]</b></p> <p><b>[Autocall Standard]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Indexation Securities:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including a [knock-in]/[knock-out] feature)]. There is [total]/[partial]/[no capital protection].</p> <p><b>[Certi plus: Booster]</b></p> <p><b>[Certi plus: Bonus]</b></p> <p><b>[Certi plus: Leveraged]</b></p> <p><b>[Certi plus: Twin Win]</b></p> <p><b>[Certi plus: Super Sprinter]</b></p> <p><b>[Certi plus: Generic]</b></p> <p><b>[Certi plus: Generic Knock-in]</b></p> <p><b>[Certi plus: Generic Knock-out]</b></p>

Element	Title	
		<p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Ratchet Securities:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is equal to the sum of returns determined on a given formula (which is [capped]/[floored]). There is [total]/[partial]/[no capital protection].</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Sum Securities:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation is the weighted sum of returns determined using different payout formulae. There is [total]/[partial]/[no capital protection].</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Option Max Securities:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). The return is calculated by reference to the maximum return determined from other payout formulae. There is [total]/[partial]/[no capital protection].</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p>

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

Element	Title	
		<p><b>[Digital Securities]:</b> fixed term products which have a return depending on the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms [(including [[floor]/[cap]][conditions] [and] [knock-in] [and] [knock-out] features)].</p> <p><b>[Digital Floor]</b></p> <p><b>[Digital Cap]</b></p> <p><b>[Digital Plus]</b></p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>[Inflation securities]:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s).</p> <p><i>[Insert the applicable Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Payout(s)]</i></p> <p><i>[Insert the applicable description for the Payout described in Annex 1 (Additional Terms and Conditions for Payouts)]</i></p> <p><b>Entitlement Amount</b></p> <p><i>[Insert the applicable Entitlement Amount described in Annex 1 (Additional Terms and Conditions for Payouts):</i></p> <p><b>[Delivery of Worst-Performing Underlying]</b></p> <p><b>[Delivery of Best-Performing Underlying]</b></p> <p><b>[Delivery of the Underlying]</b></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex 1 (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Entitlement Amount.]</i></p> <p><i>[Insert if Delivery of Worst-Performing Underlying, Delivery of Best-Performing Underlying or Delivery of the Underlying is specified:</i></p>

Element	Title	
		<p>The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to the Rounding and Residual Amount.]]</p> <p><b>[Automatic Early Redemption]</b></p> <p>If [on any Automatic Early Redemption Valuation Date][in respect of an Automatic Early Redemption Valuation Period an Automatic Early Redemption Event occurs, the Securities will be [redeemed early] at the Automatic Early Redemption Amount on the Automatic Early Redemption Date.</p> <p>[The Automatic Early Redemption Amount in respect of each nominal amount of Notes equal to the Calculation Amount will be [equal to the product of (i) the Calculation Amount and (ii) the sum of [●] (the "Automatic Early Redemption Percentage") and [●] (the "AER Rate")]/[an amount equal to:]]</p> <p><b>Automatic Early Redemption Payouts</b></p> <p><b>[SPS Automatic Early Redemption Payout]</b></p> <p><b>[Target Automatic Early Redemption]</b></p> <p><b>[FI Underlying Automatic Early Redemption]</b></p> <p><b>[FI Coupon Automatic Early Redemption]</b></p> <p><i>[Insert the applicable Automatic Early Redemption Payout described in Annex I (Additional Terms and Conditions for Payouts)]</i></p> <p><i>[Insert the formula(e), relevant value(s) and other related provisions from Annex I (Additional Terms and Conditions for Payouts) in the Base Prospectus in respect of the applicable Automatic Early Redemption Payout]</i></p> <p><i>[Insert the applicable description for the Automatic Early Redemption Payout described in Annex I (Additional Terms and Conditions for Payouts)]</i></p> <p>[If the Automatic Early Redemption Amount is not an amount in [specify] (the "Settlement Currency"), it will be converted into the Settlement Currency at [insert exchange rate].]</p> <p><b>["Automatic Early Redemption Event"</b> means [insert if Target Automatic Early Redemption is applicable: the Cumulative Coupon is equal to or greater than [insert the Automatic Early Redemption Percentage]]/[insert if FI Underlying Automatic Early Redemption is applicable: the [insert for all Underlying References other than a Subject Currency: Underlying Reference Level][insert if the Underlying Reference is a Subject Currency: FX Coupon Performance] is (i) equal to or greater than [insert Automatic Early Redemption Level 1] and (ii) less than or equal to [insert Automatic Early Redemption Level 2]]/[insert if FI Coupon Automatic Early Redemption is</p>

Element	Title	
		<p><i>applicable</i>: the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case in respect of the Current Interest Period is equal to or greater than [insert Automatic Early Redemption Percentage]][insert if Standard Automatic Early Redemption and SPS AER Valuation are applicable: SPS AER Value 1 in respect of [specify AER Event 1 Underlying(s)] (the "<b>AER Event 1 Underlying(s)</b>") is [greater than]/[greater than or equal to][less than][less than or equal to] [insert Automatic Early Redemption Level 1] [insert if Automatic Early Redemption Event 2 is specified: and/or SPS AER Value 2 in respect of [specify AER Event 2 Underlying(s)] (the "<b>AER Event 2 Underlying(s)</b>") is [greater than]/[greater than or equal to][less than][less than or equal to] [insert Automatic Early Redemption Level 2]][insert if Standard Automatic Early Redemption is applicable and SPS AER Valuation is not applicable: [insert if AER Event 1 Basket is not applicable: the Underlying Reference Level 1][insert if AER Event 1 Basket is applicable: the Basket Price 1] is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [insert Automatic Early Redemption Level 1][insert if Automatic Early Redemption Event 2 is specified: and/or [insert if AER Event 2 Basket is not applicable: the Underlying Reference Level 2][insert if AER Event 2 Basket is applicable: the Basket Price 2] is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [insert Automatic Early Redemption Level 2]][an AER Knock-out occurs]/[that at the Observation Time(s) on an Automatic Early Redemption Valuation Date the Observation Price is [less than or equal to][equal to or greater than][ the applicable Security Threshold]][insert if Single Standard Automatic Early Redemption and SPS AER Valuation are applicable: SPS AER Value is [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [insert Automatic Early Redemption Level]][insert if Single Standard Automatic Early Redemption is applicable and SPS AER Valuation is not applicable: [insert in the case of a Single Underlying Reference: the Underlying Reference Level is][insert in the case of a Basket of Underlying References: the Basket Price is] [greater than]/[greater than or equal to]/[less than]/[less than or equal to] [insert Automatic Early Redemption Level]]]</p> <p><b>"Automatic Early Redemption Valuation Date"</b> means [●], subject to adjustment.]</p> <p><b>"Automatic Early Redemption Date"</b> means [●], subject to adjustment.]]</p> <p>[The above provisions are subject to adjustment as provided in the conditions of the Securities to take into account events in relation to the Underlying Reference or the Securities. This may lead to adjustments being made to the Securities [or, in some cases, the Securities being terminated early at an early redemption amount (see item C.9)].]</p> <p>[Insert in the case of Dual Currency Redemption Notes:</p> <p>Any amount calculated to be payable on redemption of the Notes will be converted into the Settlement Currency at [specify fixed exchange rate or</p>

Element	Title	
		<p><i>exchange rate (including any rates of exchange pursuant to which the relevant rate of exchange is derived), including sources (if any) by which such exchange rate is determined and time/date when such exchange rate will be determined.]</i></p> <p>The above provisions are subject to adjustment as provided in the conditions of the Notes to take into account events in relation to the Specified Currency. This may lead to delays in the payment of principal, or such payments being made in a different currency than expected. In such circumstances, Noteholders may also be required to provide certain information to the Issuer (including, <i>inter alios</i>, specifying an account into which they can receive the relevant currency), and payments by the Issuer may be delayed or the Issuer may be discharged from its payment obligations in respect of the Notes, if Noteholders fail to provide the requested information within the prescribed time period.]</p>
C.19	Final reference price of the Underlying	[Not applicable, there is no final reference price of the Underlying.] [The final reference price of the underlying will be determined in accordance with the valuation mechanics set out in [Element C.9] [and] [Element C.18] above]
C.20	Underlying	<p>[Not applicable, there is no underlying]</p> <p>[The Underlying Reference specified in [Element C.9] [and] [Element C.18] above. Information on the Underlying Reference can be obtained from [●]. [Insert where the Underlying Reference is an Index and Futures Price Valuation applies: Futures Price Valuation is applicable and the Settlement Price [or First Traded Price] of the Index is determined by reference to the following futures or options contracts relating to such Index: [specify]].]</p>

#### Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuer [and the Guarantor]	<p>[Prospective purchasers of the Securities should be experienced with respect to options and options transactions and should understand the risks of transactions involving the Securities. An investment in the Securities presents certain risks that should be taken into account before any investment decision is made. Certain risks may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee, some of which are beyond its control. In particular, the Issuer and the Guarantor, together with the BNPP Group, are exposed to the risks associated with its activities, as described below:</p> <p><b>Guarantor</b></p> <p><b>Issuer</b></p> <p>[Insert where BNPP B.V. is the Issuer:</p> <p>The main risks described above in relation to BNPP also represent the main</p>

Element	Title	
		<p>risks for BNPP B.V., either as an individual entity or a company in the BNPP Group.</p> <p><i>Dependency Risk</i></p> <p>BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities [<i>insert for Nominal Value Repack Securities</i>]; and, in the case of Nominal Value Repack Securities, Reference Collateral Assets and/or other agreements, such as repurchase agreements, as appropriate]. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Group entities to perform their obligations under such hedging agreements [<i>insert for Nominal Value Repack Securities</i>]; and, in the case of Nominal Value Repack Securities, the ability of the issuer(s) of, or obligors in respect of, the Reference Collateral Assets to pay amounts due under such Reference Collateral Assets and/or its counterparties under other agreements to perform their obligations under such agreements].</p> <p><i>Market Risk</i></p> <p>BNPP B.V. takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, these risks are hedged by option and swap agreements and therefore these risks are mitigated in principle.</p> <p><i>Credit Risk</i></p> <p>BNPP B.V. has significant concentration of credit risks as all OTC contracts are acquired from its parent company and other BNPP Group entities. Taking into consideration the objective and activities of BNPP B.V. and the fact that its parent company is under supervision of the European Central Bank and the <i>Autorité de Contrôle Prudentiel et de Résolution</i> management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A) by Standard &amp; Poor's and (A1) by Moody's.</p> <p><i>Liquidity Risk</i></p> <p>BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities.]</p> <p><i>[Insert where BP2F is the Issuer:</i></p> <p>The following is a summary of some of the additional investment considerations relating to the business of BP2F:</p>

Element	Title	
		<p>(1) <i>Operational Risk</i> - operational risk concerns the risk of loss resulting from inadequate or failed internal processes or systems, human error, external events or changes in the competitive environment that damage the franchise or operating economics of a business.</p> <p>In order to mitigate operational risks, in 2013 BP2F hired two part time employees of BNP Paribas Fortis SA/NV.</p> <p>(2) <i>Legal Risk and Tax Risk</i> – BP2F may face legal risks and tax risks.</p> <p>In case of any potential legal risk, BP2F will request advice from the legal department of BNPPF and external legal advisors, if required by an executive manager of BP2F or by a member of the board of directors.</p> <p>In case of any potential tax risk, BP2F will request advice from the tax specialists of its parent company and advice from external tax advisors if required by a member of the board of directors.</p> <p>(3) <i>Liquidity Risk</i> – liquidity risk concerns the risk that BP2F, though solvent, either does not have sufficient financial resources available to meet its obligations when they fall due, or can secure or sell its assets only at excessive cost.</p> <p>(4) <i>Financial Risk</i> – financial risk encompasses two types of risk:</p> <ul style="list-style-type: none"> <li>• the credit risk - the risk that a borrower or counterparty will no longer be able to repay its debt; and</li> <li>• the market risk – the potential loss resulting from unfavourable market movements, which can arise from trading or holding positions in financial instruments.</li> </ul> <p>(5) <i>Settlement Risk</i> – settlement risk is the risk the BP2F takes by being responsible for cash management on a daily basis by monitoring the cash balances of BP2F.</p> <p>BP2F has implemented a payment procedure approved by the board of directors and agreed by BGL BNP Paribas S.A. to mitigate this risk.</p> <p>(a) The primary credit protection for Securities issued by BP2F will derive from the guarantees given by BNPPF.</p> <p>(b) BP2F's ability to perform its obligations in respect of the structured return on structured securities may depend on the ability of its hedging counterparties to meet their obligations under any hedge.</p> <p>(c) BP2F's ability to make payments under the Securities may depend on the operating performance of those companies to which the proceeds of the Securities are lent.</p>

Element	Title	
		<p>(d) The financial condition of the operating companies to which the proceeds of the Notes are lent may deteriorate and this may affect BP2F's ability to make payments under the Securities which it issues.</p> <p>(e) During deteriorating or challenging economic conditions BP2F may find it difficult to raise further finance.</p> <p>(f) Transfer pricing tax rules in Luxembourg generate additional costs, which may vary from time to time.]</p> <p>[Insert where BNPP is the Guarantor: Eleven main categories of risk are inherent in BNPP's activities:</p> <p>(1) <i>Credit Risk</i> – Credit risk is the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;</p> <p>(2) <i>Counterparty Credit Risk</i> – Counterparty credit risk is the credit risk embedded in payment or transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter (OTC) derivatives contracts which potentially expose the Bank to the risk of counterparty default, as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions or portfolio;</p> <p>(3) <i>Securitisation</i> – Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranced, having the following characteristics:</p> <ul style="list-style-type: none"> <li>• payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</li> <li>• the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;</p> <p>(4) <i>Market Risk</i> – Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed</p>

Element	Title	
		<p>or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;</p> <p>(5) <i>Operational Risk</i> – Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.</p> <p>Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.</p> <p>Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;</p> <p>(6) <i>Compliance and Reputation Risk</i> – Compliance risk as defined in French regulations as the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of</p>

Element	Title	
		<p>good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.</p> <p>By definition, this risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, the Bank treats compliance risk separately.</p> <p>Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.</p> <p>Reputation risk is primarily contingent on all the other risks borne by the Bank;</p> <p>(7) <i>Concentration Risk</i> – Concentration risk and its corollary, diversification effects, are embedded within each risk, especially for credit, market and operational risks using the correlation parameters taken into account by the corresponding risk models.</p> <p>It is assessed at consolidated Group level and at financial conglomerate level;</p> <p>(8) <i>Banking Book Interest Rate Risk</i> – Banking book interest rate risk is the risk of incurring losses as a result of mismatches in interest rates, maturities and nature between assets and liabilities. For banking activities, this risk arises in non-trading portfolios and primarily relates to global interest rate risk;</p> <p>(9) <i>Strategic and Business Risks</i> – Strategic risk is the risk that the Bank's share price may fall because of its strategic decisions.</p> <p>Business risk is the risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity.</p> <p>These two types of risk are ,monitored by the Board of directors;</p> <p>(10) <i>Liquidity Risk</i> – In accordance with regulations, the liquidity risk is defined as the risk that a bank will be unable to honour its commitments or unwind or settle a position due to the situation on the market or idiosyncratic factors, within a given time frame and at a reasonable price or cost; and</p> <p>(11) <i>Insurance Underwriting Risk</i> – Insurance underwriting risk corresponds to the risk of a financial loss caused by an adverse trend in insurance claims. Depending on the type of insurance business (life, personal risk or annuities), this risk may be statistical,</p>

Element	Title	
		<p>macroeconomic or behavioural, or may be related to public health issues or natural disasters. It is not the main risk factor arising in the life insurance business, where financial risks are predominant.</p> <p>(a) Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on BNPP's financial condition, results of operations and cost of risk.</p> <p>(b) Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.</p> <p>(c) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.</p> <p>(d) Significant interest rate changes could adversely affect BNPP's revenues or profitability.</p> <p>(e) The prolonged low interest rate environment carries inherent systemic risks.</p> <p>(f) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.</p> <p>(g) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(h) BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p> <p>(i) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</p> <p>(j) Laws and regulations adopted in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.</p> <p>(k) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.</p> <p>(l) BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations.</p> <p>(m) There are risks related to the implementation of BNPP's strategic plan.</p> <p>(n) BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its</p>

Element	Title	
		<p>acquisitions.</p> <p>(o) Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability.</p> <p>(p) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.</p> <p>(q) BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.</p> <p>(r) BNPP's hedging strategies may not prevent losses.</p> <p>(s) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.</p> <p>(t) The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs.</p> <p>(u) BNPP's competitive position could be harmed if its reputation is damaged.</p> <p>(v) An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses.</p> <p>(w) Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.]</p> <p><i>[Insert where BNPPF is the Guarantor:</i></p> <p>The following is a summary of some of the investment considerations relating to the business of BNPPF:</p> <p>Ten main categories of risk are inherent in BNPPF's activities:</p> <p>(1) <i>Credit Risk</i> – Credit risk is the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;</p> <p>(2) <i>Counterparty Credit Risk</i> – Counterparty credit risk is the credit risk embedded in payment or transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter (OTC) derivatives contracts which potentially expose BNPPF to the risk of counterparty default, as well as contracts settled through clearing houses. The amount of this risk may vary over time in line</p>

Element	Title	
		<p>with changing market parameters which then impacts the replacement value of the relevant transactions or portfolio;</p> <p>(3) <i>Securitisation</i> – Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranced, having the following characteristics:</p> <ul style="list-style-type: none"> <li>• payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</li> <li>• the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;</p> <p>(4) <i>Market Risk</i> – Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;</p> <p>(5) <i>Operational Risk</i> – Operational risk is the risk of incurring a loss</p>

Element	Title	
		<p>due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.</p> <p>Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.</p> <p>Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;</p> <p>(6) <i>Compliance and Reputation Risk</i> – Compliance risk is the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.</p> <p>This risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, BNPPF treats compliance risk separately.</p> <p>Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.</p> <p>Reputation risk is primarily contingent on all the other risks borne by BNPPF;</p> <p>(7) <i>Concentration Risk</i> – Concentration risk and its corollary, diversification effects, are embedded within each risk, especially for credit, market and operational risks using the correlation parameters taken into account by the corresponding risk models.</p> <p>It is assessed at consolidated Group level and at financial conglomerate level;</p> <p>(8) <i>Banking Book Interest Rate Risk</i> – Banking book interest rate risk is</p>

Element	Title	
		<p>the risk of incurring losses as a result of mismatches in interest rates, maturities and nature between assets and liabilities. For banking activities, this risk arises in non-trading portfolios and primarily relates to global interest rate risk;</p> <p>(9) <i>Strategic and Business Risks</i> – Strategic risk is the risk that BNPPF's share price may fall because of its strategic decisions.</p> <p>Business risk is the risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity.</p> <p>These two types of risk are monitored by the board of directors; and</p> <p>(10) <i>Liquidity Risk</i> – In accordance with regulations, the liquidity risk is defined as the risk that a bank will be unable to honour its commitments or unwind or settle a position due to the situation on the market or idiosyncratic factors, within a given time frame and at a reasonable price or cost.</p> <p>(a) Difficult market and economic conditions including, without limitation, concerns regarding the ability of certain countries in the eurozone to refinance their debt obligations, could in the future have a material adverse effect on the operating environment for financial institutions and hence on BNPPF's financial condition, results of operations and cost of risk.</p> <p>(b) Legislative action and regulatory measures taken in response to the global financial crisis may materially impact BNPPF and the financial and economic environment in which it operates.</p> <p>(c) BNPPF's access to and cost of funding could be adversely affected by a further deterioration of the euro zone sovereign debt crisis, worsening economic conditions, a ratings downgrade, increases in credit spreads or other factors.</p> <p>(d) The prolonged low interest rate environment carries inherent systemic risks.</p> <p>(e) The soundness and conduct of other financial institutions and market participants could adversely affect BNPPF.</p> <p>(f) BNPPF may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(g) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPPF's results of operations and financial condition.</p> <p>(h) BNPPF may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.</p>

Element	Title	
		<ul style="list-style-type: none"> <li data-bbox="603 315 1254 342">(i) BNPPF's hedging strategies may not prevent losses.</li> <li data-bbox="603 378 1442 443">(j) Significant interest rate changes could adversely affect BNPPF's revenues or profitability.</li> <li data-bbox="603 479 1442 584">(k) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</li> <li data-bbox="603 620 1442 685">(l) BNPPF is subject to extensive and evolving regulatory regimes in the countries and regions in which it operates.</li> <li data-bbox="603 721 1442 826">(m) Notwithstanding BNPPF's risk management policies, procedures and methods, it could still be exposed to unidentified or unanticipated risks, which could lead to material losses.</li> <li data-bbox="603 862 1442 927">(n) While each of BNPPF's businesses manages its operational risks, these risks remain an inherent part of all of BNPPF's businesses.</li> <li data-bbox="603 963 1442 1028">(o) BNPPF has significant counterparty risk exposure and exposure to systemic risks.</li> <li data-bbox="603 1064 1442 1128">(p) BNPPF's competitive position could be harmed if its reputation is damaged.</li> <li data-bbox="603 1164 1442 1270">(q) An interruption in or a breach of BNPPF's information systems may result in material losses of client or customer information, damage to BNPPF's reputation and lead to financial losses.</li> <li data-bbox="603 1305 1442 1370">(r) Litigation or other proceedings or actions may adversely affect BNPPF's business, financial condition and results of operations.</li> <li data-bbox="603 1406 1390 1433">(s) Uncertainty linked to fair value accounting and use of estimates.</li> <li data-bbox="603 1469 1442 1534">(t) A deterioration of the credit rating of BNP Paribas of its debt quality could adversely affect BNPPF.</li> <li data-bbox="603 1570 1442 1635">(u) Unforeseen external events can interrupt BNPPF's operations and cause substantial losses and additional costs.</li> <li data-bbox="603 1671 1442 1807">(v) BNPPF may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.</li> <li data-bbox="603 1843 1442 1908">(w) Intense competition in the financial services industry could adversely affect BNPPF revenues and profitability.</li> <li data-bbox="603 1944 1442 2049">(x) Adjustments to the carrying value of BNPPF's securities and derivatives portfolios and BNPPF's own debt could have an impact on its net income and shareholders' equity.</li> </ul>

Element	Title	
		<p>(y) The expected changes in accounting principles relating to financial instruments may have an impact on BNPPF's balance sheet and regulatory capital ratios and result in additional costs.</p> <p>(z) Risks related to the implementation of BNPP Group's strategic plans.]</p>
<b>D.3</b>	Key risk regarding the Securities	<p>In addition to the risks (including the risk of default) that may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee, there are certain factors which are material for the purposes of assessing the market risks associated with Securities issued under the Base Prospectus, including:</p> <p>[<i>Market Risks</i></p> <p>[Securities are unsecured obligations;]</p> <p>[Securities including leverage involve a higher level of risk and whenever there are losses on such Securities those losses may be higher than those of a similar security which is not leveraged;]</p> <p>[the trading price of the Securities is affected by a number of factors including, but not limited to, (in respect of Securities linked to an Underlying Reference) the price of the relevant Underlying Reference(s), time to redemption and volatility and such factors mean that the trading price of the Securities may be below the Final Redemption Amount or value of the Entitlement;]</p> <p>[exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements and, in respect of Securities linked to an Underlying Reference, potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;]</p> <p>[the collateral associated with one or more series of Secured Securities may be insufficient to fully mitigate a Holder's credit risk on the Issuer;]</p> <p>[Holders will be exposed to the credit risk on, among others, the Swap Counterparty and the issuer of the relevant Reference Collateral Assets and potential investors are exposed to the performance of these entities and associated hedging arrangements and events that may affect these entities and associated hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;]</p> <p>[there are specific risks in relation to Securities linked to an Underlying Reference from an emerging or developing market (including, without limitation, risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of</p>

Element	Title	
		<p>disclosure and regulation and uncertainties as to status, interpretation and applicable of laws, increased custodian costs and administrative difficulties and higher probability of the occurrence of a disruption or adjustment event). Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. There are also specific risks in relation to dynamic securities which are intrinsically more complex making their evaluation difficult in terms of risk at the time of the purchase as well as thereafter;]]</p> <p><i>[Holder Risks</i></p> <p>[the Securities may have a minimum trading amount and if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to redemption without first purchasing enough additional Securities in order to hold the minimum trading amount;]</p> <p>[the meetings of Holders provisions permit defined majorities to bind all Holders;]</p> <p>[in certain circumstances Holders may lose the entire value of their investment;]]</p> <p><i>[Issuer/Guarantor Risks</i></p> <p>[if so indicated in the Final Terms the Issuer may elect to vary the settlement of the Securities;]</p> <p>[a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer [or Guarantor] by a credit rating agency could result in a reduction in the trading value of the Securities;]</p> <p>[certain conflicts of interest may arise (see Element E.4 below);]</p> <p>[in certain circumstances (including, without limitation, as a result of restrictions on currency convertibility and/or transfer restrictions), it may not be possible for the Issuer to make payments in respect of the Securities in the Settlement Currency specified in the applicable Final Terms. In these circumstances, the payment of principal and/or interest may occur at a different time and/or made in USD and the market price of such Securities may be volatile;]]</p> <p><i>[Legal Risks</i></p> <p>[the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities, early redemption or may result in the amount payable on scheduled redemption being different from the amount expected to be paid at scheduled redemption and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Securities;]</p>

Element	Title	
		<p>[in certain circumstances settlement may be postponed or payments made in USD if the Settlement Currency specified in the applicable Final Terms is not freely transferable, convertible or deliverable;]</p> <p>[expenses and taxation may be payable in respect of the Securities;]</p> <p>[the Securities may be redeemed in the case of illegality or impracticability and such redemption may result in an investor not realising a return on an investment in the Securities;]</p> <p>[any judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;]</p> <p>[At the commencement of the offer period, the [issue price][fixed Rate of Interest,] [Minimum Interest Rate] [Maximum Interest Rate] [Margin] [Gearing] [Gearing Up] [FR Rate] [AER Exit Rate] [Bonus Coupon] [Up Cap Percentage] [Constant Percentage [1][2][3][4]] [Knock-in Level] [Knock-out Level] will not be known but the Final Terms will specify an indicative range. Prospective investors are required to make their decision to purchase the Securities on the basis of that indicative range prior to the actual [issue price][Rate of Interest][Minimum Interest Rate][Maximum Interest Rate][Margin][Gearing][Gearing Up][FR Rate][AER Exit Rate][Bonus Coupon][Up Cap Percentage][Constant Percentage [1][2][3][4]] [Knock-in Level][Knock-out Level] which will apply to the Securities being notified to them. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms.]</p> <p><i>[Secondary Market Risks</i></p> <p>[the only means through which a Holder can realise value from the Security prior to its Maturity Date, is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to wait until redemption of the Securities to realise a greater value than its trading value);]</p> <p>[an active secondary market may never be established or may be illiquid and this may adversely affect the value at which an investor may sell its Securities (investors may suffer a partial or total loss of the amount of their investment);]</p> <p>[for certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required to act as market-maker. In those circumstances, BNP Paribas Arbitrage S.N.C. will endeavour to maintain a secondary market throughout the life of the Securities, subject to normal market conditions and will submit bid and offer prices to the market. The spread between bid and offer prices may change during the life of the Securities. However, during certain periods, it may be difficult, impractical or impossible for BNP Paribas Arbitrage S.N.C. to quote bid and offer prices, and during such periods, it may be difficult,</p>

Element	Title	
		<p>impracticable or impossible to buy or sell these Securities. This may, for example, be due to adverse market conditions, volatile prices or large price fluctuations, a large marketplace being closed or restricted or experiencing technical problems such as an IT system failure or network disruption;]]</p> <p><i>[Risks relating to Dual Currency Notes</i></p> <p>[There are specific risks associated with Dual Currency Notes, including, without limitation, exposure to movements in currency exchange rates which may result in significant fluctuations in the value of the Notes, that payments of [interest] [and]/[or] [of] [principal] may occur at a different time or in a different currency than expected, [that investors will not benefit from favourable changes in exchange rates during the term of the Dual Currency Notes], that the market price of the Notes may be volatile that Holders may need to specify additional information to receive a relevant currency and failure to do so within a prescribed period may result in payments being delayed or, in certain circumstances, the Issuer being discharged from its payment obligations, [settlement in the Settlement Currency may result in a lower return than if settlement had been made in the Specified Currency due to the risk on the exchange rate], and that Holders may, in circumstances where it is not possible to make payments of [interest] [and]/[or] [of] [principal] in the Settlement Currency, [receive no interest] [and may] lose all or a substantial portion of their principal.]]</p> <p><i>[Risk Relating to Underlying Reference Asset(s)</i></p> <p>In addition, there are specific risks in relation to Securities which are linked to an Underlying Reference (including Hybrid Securities) and an investment in such Securities will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Underlying Reference linked Securities include:</p> <p><i>[Insert in the case of Index Securities:</i> exposure to one or more index, adjustment events and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</p> <p><i>[Insert in the case of Share Securities:</i> exposure to one or more share, similar market risks to a direct equity investment, global depositary receipt ("<b>GDR</b>") or American depositary receipt ("<b>ADR</b>"), potential adjustment events or extraordinary events affecting shares and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</p> <p><i>[Insert in the case of Commodity Securities:</i> exposure to one or more commodity and/or commodity index, similar market risks to a direct commodity investment, market disruption and adjustment events which may have an adverse effect on the value or liquidity of the Securities, delays to the determination of the final level of a commodity index resulting in delays to the payment of the Final Redemption Amount]</p>

Element	Title	
		<p>[Insert in the case of ETI Securities: exposure to one or more interests in an exchange traded fund, exchange traded note, exchange traded commodity or other exchange traded product (each an "exchange traded instrument"), similar market risks to a direct exchange traded instrument investment, that the amount payable on ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s), potential adjustment events or extraordinary events affecting exchange traded instruments and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</p> <p>[Insert in the case of Inflation Index Securities: exposure to an inflation index and adjustments]</p> <p>[Insert in the case of Currency Securities: exposure to a currency, similar market risks to a direct currency investment and market disruption]</p> <p>[Insert in the case of Fund Securities: exposure to a fund share or unit, similar risks to a direct fund investment, that the amount payable on Fund Securities may be less than the amount payable from a direct investment in the relevant Fund(s), extraordinary fund events which may have an adverse effect on the value or liquidity of the Securities]</p> <p>[Insert in the case of Futures Securities: exposure to a futures contract, similar market risks to a direct futures contract investment, market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</p> <p>[[Insert in the case of Credit Securities: exposure to the credit of one or more reference entities]]</p> <p>[Insert in the case of Underlying Interest Rate Securities: exposure to an underlying interest or CMS rate]</p> <p>[Insert in the case of Debt Securities: exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption]</p> <p>[Insert in the case of Debt Securities or Index Securities where Futures Price Valuation is applicable: exposure to a futures or options contract relating to [Insert in the case of Debt Securities: a synthetic debt instrument][Insert in the case of Index Securities: an index], similar market risks to a direct investment in such futures or options contract and market disruption][and that the Issuer will not provide post-issuance information in relation to the Underlying Reference].</p> <p>[Risks relating to specific types of products</p> <p>[The following risks are associated with SPS Products</p> <p>[Fixed Percentage Products</p>

Element	Title	
		<p>Investors receive a fixed return on the Securities. [This payout may be used in conjunction with at least one other payout to provide investors with partial or total capital protection.]]</p> <p>[Reverse Convertible Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in event occurs.]</p> <p>[Vanilla Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) [and the application of [knock-in][knock-out] features.]]</p> <p>[Asian Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s), which is determined using an averaging method. [The return will also depend on the application of [a cap] [lock-in features].]]</p> <p>[Auto-callable Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in][knock-out] features]. Auto-callable Products include automatic early redemption mechanisms. [If an automatic early redemption event occurs investors may be exposed to a partial loss of their investment.]]</p> <p>[Indexation Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in][knock-out][automatic early redemption] features]. [If an automatic early redemption event occurs investors may be exposed to a partial loss of their investment.]]</p> <p>[Ratchet Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the sum of</p>

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

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

### Section E – Offer

Element	Title	
<b>E.2b</b>	Reasons for the offer and use of proceeds	<p><i>[Insert in the case of Securities (other than Nominal Value Repack Securities issued by BNPP B.V.):</i></p> <p>The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments]</p> <p><i>[Insert in the case of Nominal Value Repack Securities issued by BNPP B.V.):</i></p> <p>The net proceeds from the issue of the Securities will be used by BNPP B.V. to enter into and/or make payments under the Swap Agreement or other hedging instruments.]</p> <p><i>[Insert in the case of Securities issued by BP2F:</i></p> <p>The net proceeds from each issue of Securities by BP2F will be applied by BP2F for its general corporate purposes.]</p> <p><i>[specify other].</i></p>
<b>E.3</b>	Terms and conditions of the offer	<p>[This issue of Securities is being offered in a Non-Exempt Offer in <i>[specify particular country/ies].</i>] [Not applicable – the Securities are not being offered to the public as part of a Non-exempt Offer.]</p>

Element	Title	
		<p>The issue price of the Securities is [●] per cent. of their nominal amount [which will be payable in [<i>insert Settlement Currency</i>] calculated by reference to [<i>specify exchange rate (including any rates of exchange pursuant to which the relevant rate of exchange is derived), including sources (if any) by which such exchange rate is determined and time/date when such exchange rate will be determined.</i>]]</p>
<b>E.4</b>	Interest of natural and legal persons involved in the issue/offer	<p>[The Managers will be paid aggregate commissions equal to [●] per cent. of the [nominal amount] [issue price] of the Securities.] [Any Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business.]</p> <p>[Other than as mentioned above,[ and save for [<i>specify any other interest that is material</i>],] so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.]</p>
<b>E.7</b>	Expenses charged to the investor by the Issuer	No expenses are being charged to an investor by the Issuer.

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

## MODELE DE RÉSUMÉ DU PROGRAMME SPÉCIFIQUE A L'ÉMISSION EN RELATION AVEC LE PROSPECTUS DE BASE<sup>10</sup>

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

### Section A - Introduction et avertissements

Elément	Description de l'Elément	
A.1	Avertissement général selon lequel le résumé doit être lu comme une introduction et disposition concernant les actions en justice	<ul style="list-style-type: none"> <li>• <b>Le présent résumé doit être lu comme une introduction au Prospectus de Base et aux Conditions Définitives applicables. Dans ce résumé, sauf précision contraire et à l'exception de l'utilisation qui en est faite au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BP2F, en date du 9 juin 2016 tel que modifié ou complété à tout moment par le Programme d'Obligations, Warrants et Certificats de BNPP B.V., BNPP et BP2F. Au premier paragraphe de l'Elément D.3, "Prospectus de Base" signifie le Prospectus de Base de BNPP B.V. et BP2F en date du 9 juin 2016.</b></li> <li>• <b>Toute décision d'investir dans les Titres concernés doit être fondée sur un examen exhaustif du Prospectus de Base dans son ensemble, y compris tous documents incorporés par référence et les Conditions Définitives applicables.</b></li> <li>• <b>Lorsqu'une action concernant l'information contenue dans le Prospectus de Base et les Conditions Définitives applicables est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale de l'Etat Membre où l'action est intentée, avoir à supporter les frais de traduction de ce Prospectus de Base et des Conditions Définitives applicables avant le début de la procédure judiciaire.</b></li> <li>• <b>Aucune responsabilité civile ne sera recherchée auprès de l'Emetteur [ou du Garant] dans cet Etat Membre sur la seule base du présent résumé, y compris sa traduction, à moins que le contenu du résumé ne soit jugé trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base et des Conditions Définitives applicables, ou, une fois les</b></li> </ul>

<sup>10</sup>

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

Elément	Description de l'Elément	
		<p><b>dispositions de la Directive 2010/73/UE transposées dans cet Etat Membre, à moins qu'il ne fournisse pas, lu en combinaison avec les autres parties du Prospectus de Base et des Conditions Définitives applicables, les informations clés (telles que définies à l'Article 2.1(s) de la Directive Prospectus) permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres.</b></p>
A.2	<p>Consentement à l'utilisation du Prospectus de Base, période de validité et autres conditions y afférentes</p>	<p>[Sans objet – les Titres n'ont pas été offerts au public sous forme d'une Offre Non-exemptée.]</p> <p>[<i>Consentement</i> : Sous réserve des conditions mentionnées ci-dessous, l'Emetteur consent à l'utilisation du Prospectus de Base pour les besoins de la présentation d'une Offre Non-exemptée de Titres par les Agents Placeurs [, [noms des intermédiaires financiers spécifiques énumérés dans les Conditions Définitives],] [et] [par chaque intermédiaire financier dont le nom est publié sur le site Internet de [BNPP (<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>) [BP2F (<a href="http://www.bp2f.lu">www.bp2f.lu</a>) et BNPPF (<a href="http://www.bnpparibasfortis.be/emissions">www.bnpparibasfortis.be/emissions</a>)] qui sont identifiés comme un Offreur Autorisé au titre de l'Offre Non-exemptée concernée] [ainsi que tout intermédiaire financier qui est habilité à faire de telles offres en vertu de la législation applicable transposant la Directive concernant les marchés d'instruments financiers (Directive 2004/39/CE), à condition que l'intermédiaire financier en question publie sur son site Internet la déclaration suivante (les passages entre crochets devant être dûment complétés par les informations pertinentes) :</p> <p><i>"Nous, [indiquer la dénomination de l'intermédiaire financier], nous référons à l'offre des [indiquer l'intitulé des Titres concernés] (les "Titres") décrits dans les Conditions Définitives en date du [indiquer la date] (les "Conditions Définitives") publiées par [●] (l'"Emetteur"). En considération de l'offre faite par l'Emetteur de consentir à notre utilisation du Prospectus de Base (tel que défini dans les Conditions Définitives) en relation avec l'offre des Titres dans [préciser les États Membres] durant la Période d'Offre et sous réserve des autres conditions auxquelles ce consentement est soumis, telles qu'elles sont chacune définies dans le Prospectus de Base, nous acceptons par les présentes l'offre faite par l'Emetteur conformément aux Conditions de l'Offreur Autorisé (tel que défini dans le Prospectus de Base) et confirmons que nous utilisons le Prospectus de Base en conséquence."</i>]</p> <p><i>Période d'Offre</i> : Le consentement de l'Emetteur visé ci-dessus est donné pour des Offres Non-exemptées de Titres pendant [préciser ici la période d'offre de l'émission] (la "<b>Période d'Offre</b>").</p> <p><i>Conditions du consentement</i> : Les conditions du consentement de l'Emetteur [(autre les conditions visées ci-dessus)] sont telles que ce consentement (a) n'est valable que pendant la Période d'Offre ; et (b) ne porte que sur l'utilisation du Prospectus de Base pour faire des Offres Non-exemptées de la Tranche de Titres concernée en [préciser chaque Etat Membre dans lequel la</p>

Elément	Description de l'Elément	
		<p><i>Tranche de Titres concernée peut être offerte].</i></p> <p><b>UN INVESTISSEUR QUI A L'INTENTION D'ACHETER OU QUI ACHETE DES TITRES DANS UNE OFFRE NON-EXEMPTÉE AUPRÈS D'UN OFFREUR AUTORISÉ LE FERA, ET LES OFFRES ET VENTES DE TELS TITRES À UN INVESTISSEUR PAR CET OFFREUR AUTORISÉ SE FERONT CONFORMÉMENT AUX TERMES ET CONDITIONS DE L'OFFRE EN PLACE ENTRE CET OFFREUR AUTORISÉ ET L'INVESTISSEUR EN QUESTION, NOTAMMENT EN CE QUI CONCERNE LES ARRANGEMENTS CONCERNANT LE PRIX, LES ALLOCATIONS, LES DEPENSES ET LE RÈGLEMENT. LES INFORMATIONS ADEQUATES SERONT ADRESSEES PAR L'OFFREUR AUTORISÉ AU MOMENT DE CETTE OFFRE.]</b></p>

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

Elément	Description de l'Elément	
<b>B.1</b>	Raison sociale et nom commercial de l'Emetteur	<p><i>[A indiquer si BNPP B.V. est l'Emetteur : BNP Paribas Arbitrage Issuance B.V. ("BNPP B.V." ou l'"Emetteur").]</i></p> <p><i>[A indiquer si BP2F est l'Emetteur : BNP Paribas Fortis Funding ("BP2F" ou l'"Emetteur").]</i></p>
<b>B.2</b>	Domicile/ forme juridique/ législation/ pays de constitution	<p><i>[A indiquer si BNPP B.V. est l'Emetteur :</i></p> <p>L'Emetteur a été constitué aux Pays-Bas sous la forme d'une société non cotée en bourse à responsabilité limitée de droit néerlandais, et son siège social est situé Herengracht 537, 1017 BV Amsterdam, Pays-Bas.]</p> <p><i>[A indiquer si BP2F est l'Emetteur :</i></p> <p>L'Emetteur a été constitué au Grand-Duché de Luxembourg sous la forme d'une société anonyme de droit luxembourgeois, et son siège social est situé 19, rue Eugène Ruppert, L—2453 Luxembourg, Grand-Duché de Luxembourg.]</p>
<b>B.4b</b>	Informations sur les tendances	<p><i>[A indiquer si BP2F est l'Emetteur:</i></p> <p><b>Conditions macroéconomiques</b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de BP2F. Compte tenu de la nature de son activité, BP2F est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p>

Elément	Description de l'Elément	
		<p>En 2015, l'activité économique mondiale est restée modérée. Dans les pays émergents, l'activité a ralenti tandis qu'une reprise modeste s'est poursuivie dans les pays développés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, la baisse des prix de l'énergie et d'autres produits de base et un premier durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente tandis que les banques centrales de plusieurs grands pays développés continuent d'assouplir leur politique monétaire. Les prévisions économiques du FMI pour l'année 2016<sup>11</sup> tablent sur une reprise progressive de l'activité mondiale, mais avec de faibles perspectives de croissance à moyen terme dans les pays développés et dans les pays émergents.</p> <p>BP2F est dépendante de BNPPF. BP2F est détenue à 99,995% par BNPPF et est spécifiquement impliquée dans l'émission de titres tels que les obligations, warrants ou certificats ou les autres titres de créances qui sont développés, mis en place et vendus auprès des investisseurs via des intermédiaires, y compris BNPPF. BP2F conclut des opérations de couverture avec BNPPF et avec d'autres entités du Groupe BNP Paribas. Dès lors, les Informations sur les Tendances relatives à BNPPF doivent également s'appliquer à BP2F. BP2F peut également conclure des opérations de couverture avec un tiers n'appartenant pas au Groupe BNP Paribas.]</p> <p>[A indiquer si BNPP B.V. est l'Emetteur :</p> <p>BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou d'autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNPP (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture auprès de BNP Paribas et d'entités de BNP Paribas tel que décrit dans l'Elément D.2 ci-dessous. Par conséquent, les Informations sur les tendances décrites pour BNPP doivent également s'appliquer à BNPP B.V.]</p>
<b>B.5</b>	Description du Groupe	<p>[A indiquer si BNPP B.V. est l'Emetteur : BNPP B.V. est une filiale intégralement détenue par BNP Paribas. BNP Paribas est la société mère ultime d'un groupe de sociétés et gère les opérations financières de ses sociétés filiales (collectivement : le "<b>Groupe BNPP</b>").]</p> <p>[A indiquer si BP2F est l'Emetteur : BNP Paribas Fortis Funding est une filiale de BNP Paribas Fortis SA/NV et agit en qualité de véhicule financier de BNP Paribas Fortis SA/NV et des sociétés contrôlées par BNP Paribas Fortis SA/NV. BNP Paribas Fortis SA/NV est elle-même une filiale de BNP Paribas qui est la société mère ultime d'un groupe de sociétés et gère les opérations financières de ses sociétés filiales (collectivement, le "<b>Groupe</b></p>

<sup>11</sup> Voir notamment : FMI – Rapport sur la stabilité financière dans les pays avancés Octobre 2015 et mis à jour au mois de janvier 2016

Elément	Description de l'Elément	
		BNPP").]
<b>B.9</b>	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant l'Emetteur au sein du Prospectus de Base sur lequel ce Résumé porte.
<b>B.10</b>	Réserves contenues dans le rapport d'audit	[Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.] [Le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base contient la/les réserve(s) suivante(s) : <i>[décrire la/les réserve(s)]</i> .]
<b>B.12</b>	Informations financières historiques clés sélectionnées :	
	<i>[A insérer si BNPP B.V. est l'Emetteur :</i>	
	<b>Données Financières Annuelles Comparées – En EUR</b>	
		<b>31/12/2015 (auditées)</b>
		<b>31/12/2014 (auditées)</b>
	Produit Net Bancaire	315.558
	Résultat Net, part du Groupe	19.786
	Total du bilan	43.042.575.328
	Capitaux Propres (part du Groupe)	464.992
		445.206]
	<i>[A insérer si BP2F est l'Emetteur :</i>	
	<b>Données Financières Annuelles Comparées :</b>	
		<b>31/12/2015</b>
		<b>31/12/2014</b>
		<b>(auditées)</b>
		<b>(auditées)</b>
		EUR
		EUR
	<b>Postes sélectionnés du Bilan</b>	
	<i>Actif</i>	
	Actifs immobilisés financiers (Montants détenus par des entreprises affiliées)	5.330.470.858
	Actifs courants (Montants dus par des entreprises affiliées venant à échéance à moins d'un an)	220.350.482
	Total de l'actif	5.635.897.265
	<i>Passif</i>	
	Capital et réserves	5.588.465
		6.691.167

Elément	Description de l'Elément		
	Dettes subordonnées	960.621.698	1.233.153.404
	Dettes non subordonnées		
	Prêts non-convertibles		
	- à moins d'un an	1.134.209.104	358.648.783
	- à plus d'un an	3.121.497.621	3.808.557.061
	<b>Compte de Résultat : postes sélectionnés</b>		
	Produits d'immobilisations financières générés par des entreprises affiliées	114.658.978	128.272.799
	Résultat	454.645.617	431.761.255
	Intérêts et autres charges financières	420.146.066	401.166.435
	Bénéfice de l'exercice	677.298	844.457]
	<p><b><i>Déclarations relatives à l'absence de changement significatif ou de changement défavorable significatif</i></b></p> <p>Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés). Il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPP ou du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).</p> <p>[Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale de [BNPP B.V.][BP2F] depuis le 31 décembre 2015 et il ne s'est produit aucun changement défavorable significatif dans les perspectives de [BNPP B.V.][BP2F] depuis le 31 décembre 2015.]</p>		
<b>B.13</b>	Evénements impactant la solvabilité de l'Emetteur	[Sans objet, au [●] et à la connaissance de l'Emetteur, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur depuis le 31 décembre 2015]. [Préciser tout événement récent présentant un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur.]	
<b>B.14</b>	Dépendance à l'égard d'autres entités du groupe	<p>L'Emetteur est dépendant de BNPP et des autres membres du Groupe BNPP. Voir également l'Elément B.5 ci-dessus.</p> <p>[A indiquer, si BNPP B.V. est l'Emetteur : BNPP B.V. est dépendante de BNPP. BNPP B.V. est une filiale intégralement détenue par BNPP et qui est particulièrement impliquée dans l'émission de titres tels que des obligations, warrants ou certificats ou autres obligations qui sont développées, mises en place ou vendues à des investisseurs par d'autres sociétés du Groupe BNPP (y compris BNPP). Les titres sont couverts par l'acquisition d'instruments de couverture auprès de BNP Paribas et d'entités de BNP Paribas tel que décrit</p>	

Elément	Description de l'Elément	
		dans l'Elément D.2 ci-dessous.]
<b>B.15</b>	Principales activités	<p>[A indiquer si BNPP B.V. est l'Emetteur :</p> <p>L'Emetteur a pour activité principale d'émettre et/ou d'acquérir des instruments financiers de toute nature et de conclure des contrats à cet effet pour le compte de différentes entités au sein du Groupe BNPP.]</p> <p>[A indiquer, si BP2F est l'Emetteur :</p> <p>L'Emetteur a pour objet principal de consentir des prêts à BNP Paribas Fortis SA/NV et ses affiliés. Pour réaliser son objet principal, BP2F peut émettre des obligations ou titres similaires, contracter des emprunts, avec ou sans garantie et, en général, avoir recours à toutes sources de financement. BP2F peut réaliser toute opération qu'il juge nécessaire à l'exercice et au développement de son activité, tout en restant dans les limites de la loi luxembourgeoise du 10 août 1915 sur les sociétés commerciales (telle que modifiée).]</p>
<b>B.16</b>	Actionnaires de contrôle	<p>[A indiquer si BNPP B.V. est l'Emetteur : BNP Paribas détient 100% du capital de l'Emetteur.]</p> <p>[A indiquer si BP2F est l'Emetteur : BNP Paribas Fortis SA/NV détient 99,995% du capital social de l'Emetteur].</p>
<b>B.17</b>	Notations de crédit sollicitées	<p>[A indiquer si BNPP B.V. est l'Emetteur : Les notations de crédit à long terme de BNPP B.V. sont: A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS) et les notations à court terme de BNPP B.V. sont : A-1 (Standard &amp; Poor's Credit Market Services France SAS).]</p> <p>[A indiquer si BP2F est l'Emetteur : Les notations de crédit à long terme de BP2F sont : [A (Standard &amp; Poor's Credit Market Services France SAS)], [A2 avec perspective stable (Moody's France SAS)] et [A+ avec une perspective stable (Fitch Ratings Limited)] et les notations à court terme de BP2F sont : [A-1 (Standard &amp; Poor's)], [P-1 (Moody's France SAS)] et [F1 (Fitch Ratings Limited)].]</p> <p>[Les Titres [ont été / n'ont pas été] / [il est prévu que les Titres soient] notés [[●] par [●]]. Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.]</p>
<b>B.18</b>	Description de la Garantie	<p>[A indiquer dans le cas de Titres non assortis de sûretés émis par BNPP B.V. : les Titres non assortis de sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP ("BNPP" ou le "Garant") en vertu d'un acte de garantie relatif aux Titres non assortis de sûretés de droit anglais signé par BNPP le 10 juin 2016, ou une date approchante (la "Garantie"). Les obligations en vertu de la garantie sont des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP et viennent et viendront au même rang entre elles et</p>

Elément	Description de l'Elément	
		<p>au moins au même rang que toutes les autres dettes directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi). Dans le cas où BNPP fait l'objet d'un renflouement interne, mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au titre de la garantie devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).</p> <p><i>[A indiquer dans le cas de Titres assortis de sûretés émis par BNPP B.V. : les Titres Assortis de Sûretés émis par BNPP B.V. seront inconditionnellement et irrévocablement garantis par BNPP en vertu d'un acte de garantie relatif aux Titres Assortis de Sûretés de droit anglais signé par BNPP le 10 juin 2016, ou une date approchante. Les obligations en vertu de la garantie sont des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP et viennent et viendront au même rang entre elles, et au moins au même rang que toutes les autres dettes directes, inconditionnelles, non assorties de sûretés et non subordonnées de BNPP (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi). Dans le cas où BNPP fait l'objet d'un renflouement interne, mais sans que BNPP B.V. n'en fasse l'objet, les obligations et/ou montants dus par BNPP, au titre de la garantie devront être réduits afin de prendre en compte toutes les modifications ou réductions appliquées aux dettes de BNPP résultant de l'application du renflouement interne de BNPP par toute autorité de régulation compétente (y compris dans le cas où la garantie elle-même ne fait pas l'objet d'un tel renflouement interne).</i></p> <p><i>[A indiquer si BP2F est l'Emetteur : Les Titres seront inconditionnellement et irrévocablement garantis par BNP Paribas Fortis SA/NV ("<b>BNPPF</b>" ou le "<b>Garant</b>") en vertu d'un acte de garantie de droit anglais signé par le Garant le 10 juin 2016, ou une date approchante (la "<b>Garantie</b>"). Les obligations en vertu de la Garantie constituent des obligations directes, inconditionnelles, non subordonnées et non assorties de sûretés de BNPPF, et viennent au même rang entre elles (sous réserve des exceptions relatives aux dettes privilégiées en vertu de dispositions impératives des lois applicables), et au moins au même rang que toutes les autres dettes présentes et futures, non assorties de sûretés et non subordonnées, de BNPPF.]</i></p>
<b>B.19</b>	<p><i>[Si les Titres sont garantis, insérer :</i></p> <p>Informations concernant le Garant</p>	
<b>B.19/ B.1</b>	Raison sociale et nom commercial du Garant	[BNP Paribas] [BNP Paribas Fortis SA/NV, agissant sous le nom commercial de BNP Paribas Fortis]

Elément	Description de l'Elément	
B.19/ B.2	Domicile/ forme juridique/ législation/ pays de constitution	<p>[Indiquer, si BNPP est le Garant : Le Garant a été constitué en France sous la forme d'une société anonyme de droit français et agréée en qualité de banque, dont le siège social est situé 16, boulevard des Italiens – 75009 Paris, France.]</p> <p>[Indiquer, si BNPPF est le Garant : Le Garant a été constitué sous la forme d'une société anonyme faisant appel public à l'épargne de droit belge ("naameloze vennootschap"), dont le siège social est situé à 1000 Bruxelles, Montagne du Parc 3 et est un établissement de crédit régi par la Loi Belge du 25 avril 2014 relative au statut et au contrôle des établissements de crédit (la "<b>Loi Bancaire Belge</b>").]</p>
B.19/ B.4b	Informations sur les tendances	<p>[A indiquer si BNPP est le Garant:</p> <p><b>Conditions macroéconomiques</b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de BNPP. Compte tenu de la nature de son activité, BNPP est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p> <p>En 2015, l'activité économique mondiale est restée modérée. Dans les pays émergents, l'activité a ralenti tandis qu'une reprise modeste s'est poursuivie dans les pays développés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, la baisse des prix de l'énergie et d'autres produits de base et un premier durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente tandis que les banques centrales de plusieurs grands pays développés continuent d'assouplir leur politique monétaire. Les prévisions économiques du FMI pour l'année 2016<sup>12</sup> tablent sur une reprise progressive de l'activité mondiale, mais avec de faibles perspectives de croissance à moyen terme dans les pays développés et dans les pays émergents.</p> <p>Dans ce contexte, on peut souligner les deux risques suivants :</p> <p><i>Instabilité financière liée à la vulnérabilité des pays émergents</i></p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2015, dans les économies de nombreux pays émergents, une augmentation des engagements en devises alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre</p>

<sup>12</sup> Voir notamment : FMI – Rapport sur la stabilité financière dans les pays avancés Octobre 2015 et mis à jour au mois de janvier 2016

Elément	Description de l'Elément	
		<p>2015) ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ce qui précède pourrait conduire à des dégradations de notations souveraines.</p> <p>Dans un contexte de possible normalisation des primes de risque, il existe un risque de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui affecteraient l'ensemble des établissements bancaires.</p> <p><i>Risques systémiques liés à la conjoncture et à la liquidité de marché</i></p> <p>La prolongation d'une situation de taux exceptionnellement bas peut favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, <i>asset managers</i>, etc) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement fragile.</p> <p>De telles tensions sur la liquidité pourraient être exacerbées par l'augmentation récente du volume des actifs sous gestion confiés à des structures investissant dans des actifs peu liquides.</p> <p><b><i>Législation et réglementations applicables aux institutions financières</i></b></p> <p>Les évolutions récentes et à venir des législations et réglementations applicables aux institutions financières peuvent avoir un impact significatif sur BNPP. Les mesures adoptées récemment ou qui sont (ou dont les mesures d'application sont) encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPP, comprennent notamment :</p> <ul style="list-style-type: none"> <li>- les réformes dites structurelles comprenant la loi bancaire française du 26 juillet 2013, imposant aux banques une filialisation ou séparation des opérations dites « spéculatives » qu'elles effectuent pour compte propre de leurs activités traditionnelles de banque de détail, la « règle Volcker » aux États-Unis qui restreint la possibilité des entités bancaires américaines et étrangères de conduire des opérations pour compte propre ou de sponsoriser ou d'investir dans les fonds de capital investissement (« <i>private equity</i> ») et les <i>hedge funds</i>, ainsi que les évolutions possibles attendues en Europe ;</li> <li>- les réglementations sur les fonds propres : CRD IV/CRR, le standard international commun de capacité d'absorption des pertes (« <i>total-loss absorbing capacity</i> » ou « <b>TLAC</b> »), et la désignation de BNPP en tant qu'institution financière d'importance systémique par le Conseil de stabilité financière ;</li> <li>- le Mécanisme européen de Surveillance Unique ainsi que</li> </ul>

Elément	Description de l'Elément	
		<p>l'ordonnance du 6 novembre 2014 ;</p> <ul style="list-style-type: none"> <li>- la Directive du 16 avril 2014 relative aux systèmes de garantie des dépôts et ses actes délégués et actes d'exécution, la Directive du 15 mai 2014 établissant un cadre pour le Redressement et la Résolution des Banques,</li> <li>- le Mécanisme de Résolution Unique instituant le Conseil de Résolution Unique et le Fonds de Résolution Unique ;</li> <li>- le Règlement final de la Réserve Fédérale des États-Unis imposant des règles prudentielles accrues pour les opérations américaines des banques étrangères de taille importante, notamment l'obligation de créer une société holding intermédiaire distincte située aux États-Unis (capitalisée et soumise à régulation) afin de détenir les filiales américaines de ces banques ;</li> <li>- Les nouvelles règles pour la régulation des activités de dérivés négociés de gré à gré au titre du Titre VII du <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (notamment les exigences de marge pour les produits dérivés non compensés et pour les produits dérivés sur titres conclus par les banques actives sur les marchés de dérivés (« <i>swap dealers</i> »), les principaux intervenants non bancaires sur les marchés de dérivés (« <i>major swap participants</i> »), les banques actives sur les marchés de dérivés sur titres (« <i>security-based swap dealers</i> ») et les principaux intervenants non-bancaires sur les marchés de dérivés sur titres (« <i>major security-based swap participants</i> »), ainsi que les règles de la <i>U.S. Securities and Exchange Commission</i> imposant l'enregistrement des banques actives sur les marchés de dérivés sur titres et des principaux intervenants non-bancaires sur les marchés de dérivés sur titres ainsi que les obligations de transparence et de reporting des transactions de dérivés sur titres ;</li> <li>- la nouvelle directive et le règlement Marché d'instruments financiers (MiFID et MiFIR), ainsi que les réglementations européennes sur la compensation de certains produits dérivés négociés de gré-à-gré par des contreparties centrales et la déclaration des opérations de financement sur titres auprès de référentiels centraux.</li> </ul> <p><b>Cyber-risque</b></p> <p>Au cours des années passées, les institutions du secteur financier ont été touchées par nombre de cyber incidents, notamment par des altérations à grande échelle de données compromettant la qualité de l'information financière. Ce risque perdure aujourd'hui et BNPP, tout comme d'autres établissements bancaires s'est mise en ordre de marche afin de mettre en place des dispositifs permettant de faire face à des cyber attaques propres à détruire ou à endommager des données et des systèmes critiques et à gêner la bonne conduite des opérations. Par ailleurs, les autorités réglementaires et de supervision prennent des initiatives visant à promouvoir l'échange d'informations en matière de cyber sécurité et de cyber criminalité, à améliorer la sécurité des infrastructures technologiques et à mettre en place des plans efficaces de rétablissement consécutifs à un cyber incident.]</p>

Elément	Description de l'Elément	
		<p>[A indiquer si BNPPF est le Garant :</p> <p><b>Conditions Macroéconomiques.</b></p> <p>L'environnement macroéconomique et de marché affecte les résultats de BNPPF. Compte tenu de la nature de son activité, BNPPF est particulièrement sensible aux conditions macroéconomiques et de marché en Europe, qui ont connu des perturbations au cours des dernières années.</p> <p>En 2015, l'activité économique mondiale est restée modérée. Dans les pays émergents, l'activité a ralenti tandis qu'une reprise modeste s'est poursuivie dans les pays développés. Trois transitions importantes continuent d'influer sur les perspectives mondiales : la diminution de la croissance économique en Chine, la baisse des prix de l'énergie et d'autres produits de base et un premier durcissement de la politique monétaire aux États-Unis dans le contexte d'une reprise interne résiliente tandis que les banques centrales de plusieurs grands pays développés continuent d'assouplir leur politique monétaire. Les prévisions économiques du FMI pour l'année 2016<sup>13</sup> tablent sur une reprise progressive de l'activité mondiale, mais avec de faibles perspectives de croissance à moyen terme dans les pays développés et dans les pays émergents.</p> <p>Bien que l'exposition du Groupe BNP Paribas dans les pays émergents soit limitée, la vulnérabilité de ces économies peut conduire à des perturbations du système financier mondial qui toucheraient le Groupe BNP Paribas et pourraient affecter ses résultats.</p> <p>On observe en 2015, dans les économies de nombreux pays émergents, une augmentation des engagements en devises alors que les niveaux d'endettement (en devises comme en monnaie locale) sont déjà élevés. Par ailleurs, les perspectives d'un relèvement progressif des taux directeurs aux États-Unis (première hausse décidée par la Réserve Fédérale en décembre 2015) ainsi qu'une volatilité financière accrue liée aux inquiétudes autour de la croissance dans les pays émergents, ont contribué à un durcissement des conditions financières extérieures, à des sorties de capitaux, à de nouvelles dépréciations monétaires dans beaucoup de pays émergents et à une augmentation des risques pour les banques. Ce qui précède pourrait conduire à des dégradations de notations souveraines.</p> <p>Dans un contexte de possible normalisation des primes de risque, il existe un risque de perturbations sur les marchés mondiaux (hausse des primes de risque, érosion de la confiance, déclin de la croissance, report ou ralentissement de la normalisation des politiques monétaires, baisse de la liquidité des marchés, problème de valorisation des actifs, baisse de l'offre de crédit et désendettement désordonné) qui affecteraient l'ensemble des établissements bancaires.</p>

<sup>13</sup> Voir notamment : FMI – Rapport sur la stabilité financière dans les pays avancés Octobre 2015 et mis à jour au mois de janvier 2016

Elément	Description de l'Elément	
		<p>La prolongation d'une situation de taux exceptionnellement bas peut favoriser une prise de risque excessive chez certains acteurs du système financier : augmentation des maturités des financements et des actifs détenus, politique d'octroi de crédit moins sévère, progression des financements à effet de levier.</p> <p>Certains de ces acteurs (assureurs, fonds de pension, asset managers, etc) ont une dimension de plus en plus systémique et en cas de turbulences de marché (par exemple liées à une hausse brutale des taux et/ou un réajustement marqué des prix), ces acteurs pourraient être amenés à dénouer de larges positions dans un contexte où la liquidité de marché se révélerait relativement fragile.</p> <p>De telles tensions sur la liquidité pourraient être exacerbées par l'augmentation récente du volume des actifs sous gestion confiés à des structures investissant dans des actifs peu liquides.</p> <p><b><i>Législation et Réglementations Applicables aux Institutions Financières.</i></b></p> <p>La législation et les réglementations applicables aux institutions financières qui ont un impact sur BNPPF connaissent une évolution significative dans le sillage de la crise financière globale. Les mesures qui ont été proposées et/ou adoptées au cours des dernières années comprennent des exigences plus strictes en matière de capital et de liquidité (notamment pour les grands groupes bancaires tels que le Groupe BNP Paribas), des taxes sur les transactions financières, des restrictions et des taxes sur la rémunération des salariés, des limitations des activités que les banques commerciales peuvent exercer et la séparation au sein de filiales dédiées, voire l'interdiction, de certaines activités considérées comme spéculatives, des restrictions sur certains types de produits financiers, des exigences accrues en matière de contrôle interne et de transparence, des règles de conduite des affaires plus strictes, la compensation et un <i>reporting</i> obligatoires des opérations sur instruments dérivés, des obligations de limiter les risques relatifs aux dérivés OTC et la création de nouvelles autorités réglementaires ou le renforcement des autorités règlementaires existantes.</p> <p>Les mesures adoptées récemment ou encore en projet, qui ont, ou sont susceptibles d'avoir un impact sur BNPPF, comprennent notamment la Directive et le Règlement sur les fonds propres réglementaires dits « CRD 4 », du 26 juin 2013 et dont un nombre important de dispositions sont applicables depuis le 1er janvier 2014, les projets de normes techniques de réglementation et d'exécution relatives à la Directive et au Règlement CRD 4 élaborées par l'EBA, la Loi Bancaire belge du 25 avril 2014 remplaçant la loi précédente de 1993 et introduisant d'importants changements : l'Arrêté Royal belge du 22 février 2015, fixant la date d'entrée en vigueur des dispositions de la Loi Bancaire belge relative à la résolution (y compris la mise en place du Collège de Résolution Belge) et créant deux droits préférentiels sur les actifs mobiliers de la banque ; l'Arrêté Royal belge du 18 décembre 2015 modifiant la loi du 25 avril 2014 relative au statut et au contrôle des établissements de crédit et l'Arrêté Royal belge du 26 décembre 2015 modifiant la loi relative au statut et au contrôle des établissements de crédit</p>

Elément	Description de l'Elément	
		<p>concernant le redressement et la résolution des défaillances de groupes ; la consultation sur la réforme structurelle du secteur bancaire de l'Union Européenne de 2013 et la proposition de la Commission Européenne de réforme structurelle du secteur bancaire européen du 29 janvier 2014 ; la proposition de Règlement concernant les indices utilisés comme indices de référence dans le cadre d'instruments et de contrats financiers ; le Mécanisme de Supervision Unique européen ; le Mécanisme de Résolution Unique européen daté du 15 juillet 2014 et la Directive européenne sur le Redressement et la Résolution des Banques en date du 15 mai 2014 ; la Directive Européenne relative aux systèmes de garantie des dépôts (refonte) en date du 16 avril 2014 ; le règlement final concernant les banques étrangères relatif à certaines exigences en matière de liquidités, fonds propres et autres éléments prudentiels adopté par la Réserve Fédérale des États-Unis, la proposition de la Réserve Fédérale concernant les ratios de liquidité des banques de taille importante ainsi que la Règle « Volcker » sur l'encadrement des investissements dans les <i>hedge funds</i> et les fonds de capital investissement, ou de leur <i>sponsorship</i>, ainsi que des opérations de négociation pour comptes propres, récemment adoptée par les autorités de régulation américaines. Au-delà de ces mesures, l'investisseur doit être conscient qu'à tout moment les autorités réglementaires, prudentielles ou politiques de tout pays sont susceptibles de prendre de nouvelles décisions impactant les banques ou le système financier dans son ensemble et dont l'effet sur BNPPF peut être significatif.]</p>
<b>B.19/B.5</b>	Description du Groupe	<p>[Indiquer si BNPP est le Garant : BNPP est un leader européen des services bancaires et financiers et possède quatre marchés domestiques de banque de détail en Europe : la Belgique, la France, l'Italie et le Luxembourg. Il est présent dans 75 pays et compte plus de 189.000 collaborateurs, dont près de 147.000 en Europe. BNPP est la société mère du Groupe BNP Paribas (ensemble le "<b>Groupe BNPP</b>").]</p> <p>[Indiquer si BNPPF est le Garant : Le Garant détient 99,995 % du capital social de l'Emetteur et fait partie du Groupe BNPP. Voir Elément B.5 ci-dessus.]</p>
<b>B.19/B.9</b>	Prévision ou estimation du bénéfice	Sans objet, en l'absence de prévision ou estimation du bénéfice concernant le Garant au sein du Prospectus de Base sur lequel ce Résumé porte.
<b>B.19/B.10</b>	Réserves contenues dans le rapport d'audit	<p>[Sans objet, il n'existe aucune réserve dans le rapport d'audit sur les informations financières historiques contenues dans le Prospectus de Base.] / [Le rapport d'audit sur les informations financières historiques, contenues dans le Prospectus de Base, contient la ou les réserves suivantes : [décrire la ou les réserves]]</p>
<b>B.19/B.12</b>	<p>Informations financières historiques clés sélectionnées :</p> <p>[A insérer si BNPP est le Garant :</p>	<p><b>Données Financières Annuelles Comparées - En millions d'EUR</b></p>

Elément	Description de l'Elément		
		<b>31/12/2015</b> <b>(auditées)</b>	<b>31/12/2014*</b> <b>(auditées)</b>
	Produit Net Bancaire	42.938	39.168
	Coût du Risque	(3.797)	(3.705)
	Résultat Net, part du Groupe	6.694	157
		<b>31/12/2015</b>	<b>31/12/2014*</b>
	Ratio Common Equity Tier 1 (Bâle 3 pleinement appliqué, CRD 4)	10,9%	10,3%
		<b>31/12/2015</b> <b>(auditées)</b>	<b>31/12/2014*</b> <b>(auditées)</b>
	Total du bilan consolidé	1.994.193	2.077.758
	Total des prêts et créances sur la clientèle consolidé	682.497	657.403
	Total des dettes envers la clientèle consolidé	700.309	641.549
	Capitaux Propres (part du Groupe)	96.269	89.458
	<i>* Retraité conformément à l'interprétation de l'IFRIC 21.]</i>		
	<b>Données Financières Intermédiaires Comparées – En millions d'EUR</b>		
		<b>1Q2016</b> <b>(non auditées)</b>	<b>1Q2015</b> <b>(non auditées)</b>
	Produit Net Bancaire	10.844	11.065
	Coût du Risque	(757)	(1.044)
	Résultat Net, part du Groupe	1.814	1.648
		<b>31/03/2016</b> <b>(non auditées)</b>	<b>31/12/2015</b> <b>(non auditées)</b>
	Ratio Common Equity Tier 1 (Bâle 3 pleinement appliqué, CRD4)	11,0%	10,9%
		<b>31/03/2016</b>	<b>31/12/2015</b> <b>(auditées)</b>
	Total du bilan consolidé	2.121.021	1.994.193
	Total des prêts et créances sur la clientèle consolidé	691.620	682.497
	Total des dettes envers la clientèle consolidé	710.173	700.309

Elément	Description de l'Elément		
	Capitaux Propres (part du Groupe)	98.549	96.269]
	[A insérer si BNPPF est le Garant :		
	<b>Données Financières Annuelles Comparées - En millions d'EUR</b>		
		<b>31/12/2015 (auditées)</b>	<b>31/12/2014* (auditées)</b>
	Produit Net Bancaire	7,235	7,011
	Coût du Risque	(431)	(283)
	Résultat Net	2,016	1,663
	Résultat net attribuable aux actionnaires	1,575	1,246
	Total du bilan consolidé	273,683	275,206
	Capitaux Propres	18,754	20,255
	Total des prêts et créances sur la clientèle consolidé	176,640	166,851
	Total des dettes envers la clientèle consolidé	176,161	167,800
	Capitaux Tier 1	18,401	18,840
	Ratio Tier 1	14.4%	14.7%
	Total des Capitaux	21,215	21,349
	Ratio d'Adéquation des Fonds Propres	16.6%	16.6%
	* Les données pour 2014 ont été retraitées conformément aux normes IFRIS 21.]		
	<b>Déclarations relatives à l'absence de changement significatif ou de changement défavorable significatif</b>		
	Voir Elément B.12 ci-dessus dans le cas du Groupe BNPP.		
	[A insérer si BNPP est le Garant :		
	Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale du Groupe BNPP depuis le 31 décembre 2015 (date de clôture de la dernière période comptable pour laquelle des états financiers audités ont été publiés).]		
	[A insérer si BNPPF est le Garant :		
	Il ne s'est produit aucun changement significatif dans la situation financière ou commerciale de BNPPF depuis le 31 décembre 2015 il ne s'est produit aucun changement défavorable significatif dans les perspectives de BNPPF depuis le 31 décembre 2015.]		
<b>B.19/</b>	Evénements impactant la	[Au [●] et à la connaissance du Garant, il ne s'est produit aucun événement	

Elément	Description de l'Elément	
B.13	solvabilité du Garant	<p>récent qui présente un intérêt significatif pour l'évaluation de la solvabilité du Garant depuis le 31 décembre 2015.]</p> <p><i>[Préciser tout événement récent présentant un intérêt significatif pour l'évaluation de la solvabilité du Garant.]</i></p>
B.19/ B.14	Dépendance à l'égard d'autres entités du Groupe	<p><i>[Indiquer si BNPP est le Garant : Sous réserve du paragraphe suivant, BNPP n'est pas dépendant des autres membres du Groupe BNPP.</i></p> <p>En avril 2004 est entrée en fonctionnement la co-entreprise « BNP Paribas Partners for Innovation » (BP<sup>2</sup>I) qui, constituée avec IBM France fin 2003, délivre des services d'infrastructure de production informatique pour BNP Paribas SA et plusieurs de ses filiales françaises (BNP Paribas Personal Finance, BP2S, BNP Paribas Cardif...) ou européennes (Suisse, Italie). Mi-décembre 2011, le dispositif contractuel avec IBM France a été renouvelé et prorogé jusqu'à fin 2017. Fin 2012, un accord a été conclu en étendant ce dispositif à BNP Paribas Fortis en 2013.</p> <p>BP<sup>2</sup>I est placée sous le contrôle opérationnel d'IBM France ; BNP Paribas exerce une forte influence sur cette entité qu'elle détient à parts égales avec IBM France : les personnels de BNP Paribas mis à disposition de BP<sup>2</sup>I composent la moitié de son effectif permanent, les bâtiments et centres de traitement sont la propriété du Groupe, la gouvernance mise en œuvre garantit contractuellement à BNP Paribas une surveillance du dispositif et sa réintégration au sein du Groupe si nécessaire.</p> <p>ISFS, société détenue à 100 % par le groupe IBM, assure également des services d'infrastructure de production informatique pour BNP Paribas Luxembourg.</p> <p>La production informatique de BancWest est assurée par un fournisseur externe : Fidelity Information Services. La production informatique de Cofinoga France est assurée par SDDC, société détenue à 100 % par IBM.]</p> <p><i>[Indiquer, si BNPPF est le Garant : Le Garant est dépendant de BNPP et d'autres membres du Groupe.]</i></p> <p>Voir également Elément B.5 ci-dessus.</p>
B.19/ B.15	Principales Activités	<p><i>[A indiquer si BNPP est le Garant:</i></p> <p>BNP Paribas détient des positions clés dans ses deux domaines d'activité:</p> <ul style="list-style-type: none"> <li>• <b><i>Retail Banking and Services regroupant :</i></b> <ul style="list-style-type: none"> <li>• <i>Domestic Markets</i> composé de : <ul style="list-style-type: none"> <li>• Banque de Détail en France (BDDF),</li> <li>• <i>BNL Banca Commerciale</i> (BNL bc), banque de détail en Italie,</li> <li>• Banque De Détail en Belgique (BDDB),</li> </ul> </li> </ul> </li> </ul>

Elément	Description de l'Elément	
		<ul style="list-style-type: none"> <li>• Autres activités de <i>Domestic Markets</i> y compris la Banque de Détail et des Entreprises au Luxembourg (BDEL);</li> <li>• <i>International Financial Services</i>, composé de : <ul style="list-style-type: none"> <li>• Europe-Méditerranée,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Assurance,</li> <li>• Gestion Institutionnelle et Privée;</li> </ul> </li> <li>• <b>Corporate and Institutional Banking (CIB) regroupant :</b> <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.]</li> </ul> </li> </ul> <p>[A indiquer si BNPPF est le Garant : Le Garant a pour objet d'exercer l'activité d'établissement de crédit, y compris des services de courtage et des opérations sur dérivés. Il peut exercer toutes activités et réaliser toutes opérations qui sont directement ou indirectement liées à son objet ou sont de nature à en favoriser la réalisation. BNPPF peut détenir des actions et autres participations dans les limites imposées par la législation applicable aux banques.]</p>
<b>B.19/ B.16</b>	Actionnaires de contrôle	<p>[A indiquer si BNPP est le Garant: Aucun des actionnaires existants ne contrôle BNPP, que ce soit directement ou indirectement. Au 31 décembre 2015, les principaux actionnaires sont la Société Fédérale de Participations et d'Investissement (<b>SFPI</b>), société anonyme d'intérêt public agissant pour le compte du gouvernement belge, qui détient 10,2% du capital social, BlackRock Inc. qui détient 5,1% du capital social et le Grand-Duché de Luxembourg, qui détient 1,0% du capital social. A la connaissance de BNPP, aucun actionnaire autre que SFPI et Blackrock Inc. ne détient plus de 5% de son capital ou de ses droits de vote.]</p> <p>[A indiquer si BNPPF est le Garant : BNP Paribas détient 99,93% du capital social du Garant.]</p>
<b>B.19/ B.17</b>	Notations de crédit sollicitées	<p>[A indiquer si BNPP est le Garant : Les notations de crédit à long terme de BNPP sont : [A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS)], [A1 perspective stable (Moody's Investors Service Ltd.)], [A+ perspective stable (Fitch France S.A.S.)] et [AA (<i>low</i>) perspective stable (DBRS Limited)] et les notations de crédit à court terme sont : [A-1</p>

Elément	Description de l'Elément	
		<p>(Standard &amp; Poor's Credit Market Services France SAS)], [P-1 (Moody's Investors Service Ltd.)], [F1 (Fitch France S.A.S.)] et [R-1 (<i>middle</i>) (DBRS Limited)].</p> <p>[A indiquer si BNPPF est le Garant : Les titres notations de crédit à long terme BNPPF sont : [A avec une perspective stable (Standard &amp; Poor's Credit Market Services France SAS)], [A2 avec perspective stable (Moody's France SAS)] et [A+ avec une perspective stable (Fitch Ratings Limited)] et les notations à court terme de BNPPF sont : [A-1 (Standard &amp; Poor's)], [P-1 (Moody's France SAS)] et [F1 (Fitch Ratings Limited)].]</p> <p>Une notation n'est pas une recommandation d'achat, de vente ou de détention des titres concernés et peut être suspendue, réduite ou révoquée à tout moment par l'agence de notation qui l'a attribuée.]</p>
<b>[B.20]</b>	Déclaration indiquant si l'Emetteur a été constitué en tant que structure ou entité spécifiquement créée pour émettre des titres adossés à des actifs	Seul BNPP B.V. peut émettre les Titres Assortis de Sûretés. BNPP B.V. n'a pas été constitué en tant que véhicule <i>ad hoc</i> ( <i>special purpose vehicle</i> ) ou en tant qu'entité spécifiquement créée pour émettre des titres adossés à des actifs.][A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale]
<b>[B.21]</b>	Principales activités de l'Emetteur et vue d'ensemble des parties à la transaction (y compris les liens de propriété ou de contrôle direct(e) ou indirect(e))	<p>BNPP B.V. est un véhicule d'émission du Groupe BNP Paribas, spécifiquement impliqué dans l'émission de titres structurés, qui sont développés, structurés et vendus à des investisseurs par d'autres entités du groupe. Les émissions sont couvertes par un contrat dérivé correspondant conclu avec BNP Paribas Arbitrage S.N.C. ou BNPP assurant une correspondance entre les actifs et les passifs de BNPP B.V..</p> <p>BNP Paribas Arbitrage S.N.C., qui agit comme agent placeur (<i>manager</i>) en vertu du Programme d'Obligations, Warrants et Certificats[, et comme agent de calcul dans le cadre de certaines émissions de Titres] et BNP Paribas Securities Services, Luxembourg Branch qui agit, entre autres, comme agent payeur principal dans le cadre de certaines souches de Titres et comme dépositaire des sûretés sont des filiales de BNP Paribas ("<b>BNPP</b>") qui peuvent agir comme une ou plusieurs [contreparties de swap][,] [contreparties de pension livrée][et contreparties à l'échange de collatéral] dans le cadre de cette souche de Titres Assortis de Sûretés.][A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale].</p>
<b>[B.22]</b>	Déclaration concernant l'absence d'entrée en activité et d'élaboration des états financiers	Sans objet, dans la mesure où BNPP B.V. a déjà commencé ses activités et a publié les états financiers audités pour les années clôturées le 31 décembre 2014 et le 31 décembre 2015.][A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale]
<b>[B.23]</b>	Informations financières clés historiques	Voir Elément B.12.][A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale]

Elément	Description de l'Elément	
	sélectionnées	
[B.24	Description de toute détérioration significative des perspectives de l'Emetteur depuis la date de ses derniers états financiers vérifiés et publiés	Sans objet dans la mesure où aucune détérioration significative n'est intervenue dans la situation financière de l'Emetteur ou ses perspectives depuis le 31 décembre 2015.][ <i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i> ]
[B.25	Description des actifs sous-jacents	<p>Les Actifs Grevés constituent les actifs garantissant les Titres Reconditionnés de Valeur Nominale et ont des caractéristiques qui démontrent leur capacité à générer des flux financiers nécessaires au service des paiements dus et exigibles en vertu des Titres Reconditionnés de Valeur Nominale.</p> <p>Les "<b>Actifs Grevés</b>" comprennent :</p> <p>(a) un ou plusieurs contrats dérivés de gré à gré régi(s) par une convention-cadre, publiée par l'<i>International Swaps and Derivatives Association, Inc. ("ISDA")</i>, conclus entre l'Emetteur et la Contrepartie du Swap et par une confirmation incorporant par référence certaines définitions publiées par l'ISDA, telles que modifiées de temps en temps,[ accompagnés de tout document de remise en garantie s'y rattachant] (ensemble, le "<b>Contrat de Swap</b>") [et une garantie (<i>credit support deed</i>) s'y rattachant];</p> <p>(b) [<i>Insérer une description des Actifs Donnés en Garantie de Référence</i>] émis par [<i>identifier l'émetteur des ADGR</i>] (l'"<b>Emetteur des ADGR</b>") (les "<b>Actifs Donnés en Garantie de Référence</b>");]</p> <p>(c) [un contrat de pension livrée conclu par l'Emetteur avec BNPP (la "<b>Contrepartie à la Pension Livrée</b>") (le "<b>Contrat de Pension Livrée</b>") (tel que décrit plus en détail dans l'Elément B.29 ci-dessous) ;]</p> <p>(d) [un contrat d'échange de collatéral conclu par l'Emetteur avec BNPP (la "<b>Contrepartie à l'Echange de Collatéral</b>") (le "<b>Contrat d'Echange de Collatéral</b>") (tel que décrit plus en détail dans l'Elément B.29 ci-dessous);] et</p> <p>(e) les droits de BNPP au titre du Contrat de Service Financier à l'encontre du Dépositaire du Collatéral et de l'agent payeur principal à l'égard des souches concernées de Titres Assortis de Sûretés.</p>

Elément	Description de l'Elément	
		<p>La Contrepartie du Swap sera [BNPP] (la "<b>Contrepartie du Swap</b>").</p> <p>[BNPP est la Contrepartie à la Pension Livrée]/[BNPP est la Contrepartie à l'Echange de Collatéral]</p> <p>Le nom, l'adresse et une brève description de BNP Paribas sont décrits à l'Elément B.19/B.2 ci-dessus. BNP Paribas est une société anonyme de droit français constituée en France et agréée en qualité de banque. BNP Paribas est domiciliée en France avec son siège social localisé 16 boulevard des Italiens – 75009 Paris (France).</p> <p>[En vertu du Contrat de Pension Livrée, l'Emetteur conclura une série d'opérations de pensions livrées (chacune une "<b>Pension Livrée</b>") avec la Contrepartie à la Pension Livrée sur des titres qui sont des "<b>Titres Garantissant la Pension Livrée</b>".</p> <p>Dans le cadre de ces opérations de Pensions Livrées, la Contrepartie à la Pension Livrée sera le vendeur des Titres Garantissant la Pension Livrée et l'Emetteur sera l'acheteur.</p> <p>Dans le cadre du Contrat de Pension Livrée, à chaque date de rachat, la Contrepartie à la Pension Livrée rachètera des titres équivalents aux Titres Garantissant la Pension Livrée vendus par lui à la précédente date d'acquisition pour un montant équivalent au prix d'acquisition pour cette Pension Livrée assorti des intérêts courus pour cette Pension Livrée (ensemble, dans chaque cas, le "<b>Prix de Rachat</b>").</p> <p>La Contrepartie à la Pension Livrée peut livrer à l'Emetteur de nouveaux Titres Garantissant la Pension Livrée en substitution ou en échange des Titres Garantissant la Pension Livrée existants, à condition que les nouveaux Titres Garantissant la Pension Livrée aient une valeur au moins égale à celle des titres initialement achetés auxquels ils se substituent.]</p> <p>[Dans le cadre du Contrat d'Echange de Collatéral, la Contrepartie à l'Echange de Collatéral peut, à son gré, conclure des transactions (chacune, une "<b>Transaction d'Echange</b>") avec l'Emetteur sur les Actifs Donnés en Garantie de Référence pertinents. Dans le cadre de ces Transactions d'Echange, l'Emetteur transfèrera à la Contrepartie à l'Echange de Collatéral tout ou partie des Actifs Donnés en Garantie de Référence (le "<b>Collatéral Reçu</b>") et la Contrepartie à l'Echange de Collatéral transfèrera des Actifs Donnés en Garantie de Remplacement à l'Emetteur. Sous réserve des circonstances dans lesquelles le Contrat d'Echange de Collatéral sera résilié de façon anticipée (comme décrit ci-dessous), les Transactions d'Echange seront résiliées à la date d'échéance des Actifs Donnés en Garantie de Référence (ou à toute date antérieure telle que spécifiée par la Contrepartie à l'Echange de Collatéral) et la Contrepartie à l'Echange de Collatéral transfèrera des titres équivalents au Collatéral Reçu qu'il a reçu de l'Emetteur à cette date et l'Emetteur transfèrera des titres équivalents aux Actifs Donnés</p>

Elément	Description de l'Elément	
		<p>en Garantie de Remplacement qu'il a reçu.]</p> <p>Voir l'Elément B.29 pour plus de détails concernant les flux de trésorerie prévus dans le cadre du Contrat de Swap et les Actifs Donnés en Garantie de Référence[, le Contrat de Pension Livrée et le Contrat d'Echange de Collatéral].</p> <p>Les Actifs Grevés sont disponibles exclusivement pour satisfaire les demandes des parties garanties (étant une des personnes suivantes le Fiduciaire des Sûretés un séquestre, les titulaires de Titres[,][et]la Contrepartie du Swap[,][et] la Contrepartie à la Pension Livrée][et la Contrepartie à l'Echange du Collatéral].</p> <p>Les Actifs Grevés ne comprendront pas de biens immobiliers et aucun rapport sur la valeur des Actifs Grevés ne sera préparé par l'Emetteur ou fourni aux investisseurs.][<i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i>]]</p>
<b>[B.26</b>	Paramètres dans le cadre desquels les investissements concernant la gestion active d'un panier d'actifs sous-jacents garantissant l'émission peuvent être réalisés	Sans objet dans la mesure où les Actifs Grevés n'ont pas vocation à faire l'objet de transactions ou être activement gérés par l'Emetteur.][ <i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i> ]
<b>[B.27</b>	Déclaration concernant des émissions de titres fongibles	L'Emetteur peut émettre de nouveaux titres qui seront fongibles avec les Titres Assortis de Sûretés.][ <i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i> ]]
<b>[B.28</b>	Description de la structure des transactions	<p>La sûreté concernant les Titres Reconditionnés de Valeur Nominale sera constituée par l'acte de fiducie complémentaire pertinent pour les Titres Assortis de Sûretés qui incorpore la convention-cadre de la fiducie conclue entre l'Emetteur et le Fiduciaire des Sûretés (l'"<b>Acte de Fiducie</b>").</p> <p>Avant ou à la Date d'Emission, l'Emetteur conclura le Contrat de Swap et à la date d'Emission ou aux alentours de cette date (sous réserve de l'application de toute période de grâce), l'Emetteur [procèdera à l'acquisition des Actifs Donnés en Garantie de Référence][conclure un Contrat de Pension Livré et procèdera à l'acquisition des Titres Garantissant la Pension Livrée][et conclura un Contrat d'Echange de Collatéral avec la Contrepartie à l'Echange de Collatéral].</p> <p>Conformément au Contrat de Swap, l'Emetteur couvrira ses obligations relatives aux paiements d'intérêts (le cas échéant) et le Montant de Remboursement Final des Titres.][<i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i>]</p>

Elément	Description de l'Elément	
[B.29	Description des flux financiers	<p><b>Contrat de Swap</b></p> <p>A la date d'Emission d'une souche de Titres Reconditionnés de Valeur Nominale, l'Emetteur payera un montant à la Contrepartie du Swap égal au produit net de l'émission des Titres et à la Date d'Emission ou aux alentours de celle-ci, la Contrepartie du Swap payera des montants correspondants au prix d'acquisition des Actifs Donnés en Garantie de Référence pertinents à l'Emetteur que ce dernier utilisera pour [acquérir les Actifs Donnés en Garantie de Référence pertinents][payer ce montant à la Contrepartie à la Pension Livrée pour acquérir les Titres Garantissant la Pension Livrée pertinents.]</p> <p>[En vertu du Contrat de Swap, lorsqu'un Contrat de Pension Livrée a aussi été conclu, à chaque date de rachat l'Emetteur payera un montant (le cas échéant) égal au Montant de l'Ecart du Prix de la Pension Livrée (comme défini ci-dessous) qui doit être reçu à la date de rachat pertinente par la Contrepartie du Swap à condition qu'aucun [Evénement de Remboursement Anticipé Automatique,] Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.]</p> <p>[A chaque date de paiement des intérêts en vertu des Actifs Donnés en Garantie de Référence, l'Emetteur payera un montant dans la devise dans laquelle les Titres de Référence sont libellés égal au Montant du Coupon des Actifs Donnés en Garantie de Référence (comme défini ci-dessous)[qui doit être reçu][qui a été reçu] par l'Emetteur à la Date de Paiement des Intérêts des Actifs Donnés en Garantie de Référence pertinente (comme définie ci-dessous) à la Contrepartie du Swap à condition qu'aucun Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.]</p> <p>Lorsqu'un ou plusieurs montant d'intérêts est dû en vertu des Titres Reconditionnés de Valeur Nominale, la Contrepartie du Swap payera un montant à l'Emetteur qui sera égal à ce montant d'intérêts payable sur les Titres (chacun, un "<b>Montant de Paiement Intermédiaire</b>") avant ou à la date à laquelle ce paiement doit être effectué par l'Emetteur à condition qu'aucun [Evénement de Remboursement Anticipé Automatique,] Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>[Si un Evénement de Remboursement Anticipé Automatique survient, la Contrepartie du Swap payera avant ou à la date de l' Evénement de Remboursement Anticipé Automatique pertinente un montant à l'Emetteur qui sera égal au Montant de Remboursement Anticipé Automatique pertinent, à condition qu'aucun Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu et l'Emetteur payera le produit reçu de la Contrepartie à la Pension Livrée en vertu du Contrat de Pension Livrée à la Contrepartie du Swap à condition qu'aucun Evénement de Remboursement Anticipé (si applicable) ou Cas de Défaut ne soit survenu.]</p>

Elément	Description de l'Elément	
		<p>Avant ou à la Date d'Echéance, la Contrepartie du Swap payera un montant à l'Emetteur qui sera égal au montant cumulé des Montants de Remboursement Final que l'Emetteur a prévu de payer pour les Titres, à condition qu'aucun [Evénement de Remboursement Anticipé Automatique,] Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.</p> <p>Les obligations de l'Emetteur en vertu du Contrat de Swap seront de payer à la Contrepartie du Swap [les montants du principal prévus payables au titre des Actifs Donnés en Garantie de Référence][les montants à recevoir de la Contrepartie à la Pension Livrée lorsqu'il a conclu un Contrat de Pension Livrée] peu important que le montant total ait été effectivement reçu par l'Emetteur [le montant prévu d'intérêts au titre des Actifs Donnés en Garantie de Référence][et][le montant d'intérêts actuellement reçu par l'Emetteur au titre des Actifs Donnés en Garantie de Référence].</p> <p><b><i>Actifs Donnés en Garantie de Référence</i></b></p> <p>L'Emetteur utilisera le montant reçu en vertu du Contrat de Swap pour [acquérir les Actifs Donnés en Garantie de Référence pour une souche de Titres Reconditionnés de Valeur Nominale][payer le prix d'acquisition des Titres Garantissant la Pension Livrée, à la Contrepartie à la Pension Livrée].</p> <p>[A chaque date de paiement des intérêts des Titres de Référence (chacune une "<b>Date de Paiement des Intérêts des Actifs Donnés en Garantie de Référence</b>"), l'Emetteur des ADGR payera un montant d'intérêt à l'Emetteur pour le montant du principal des Titres de Référence détenus par l'Emetteur à ce moment (chacun de ces montants, un "<b>Montant de Coupon d'un Actif Donné en Garantie de Référence</b>").</p> <p>L'Emetteur payera le Montant de Coupon d'un Actif Donnés en Garantie de Référence reçu au titre des Actifs Donnés en Garantie de Référence à la Contrepartie du Swap en vertu du Contrat de Swap.</p> <p>A sa date d'échéance finale, l'émetteur des Actifs Donnés en Garantie de Référence payera à l'Emetteur le montant de remboursement final au titre des Actifs Donnés en Garantie de Référence (le "<b>Paiement Final des Titres Prévus</b>") que l'Emetteur payera à la Contrepartie du Swap en vertu du Contrat de Swap à condition qu'aucun [Evénement de Remboursement Anticipé Automatique,] Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.]</p> <p><b><i>[Contrat de Pension Livrée</i></b></p> <p>Lorsqu'un Contrat de Pension Livrée a été conclu pour une souche de Titres Reconditionnés de Valeur Nominale, l'Emetteur utilisera le montant reçu de la Contrepartie du Swap pour acquérir les Titres</p>

Elément	Description de l'Elément	
		<p>Garantissant la Pension Livrée avec une valeur égale au montant cumulé du Montant Nominal (ou un montant proportionnel de ce montant) de la souche pertinente conformément au Contrat de Pension Livrée.</p> <p>A chaque date pertinente de rachat en vertu du Contrat de Pension Livrée, la Contrepartie à la Pension Livrée payera un montant à l'Emetteur pour la Pension Livrée qui vient juste de prendre fin qui sera égal à la somme du prix d'acquisition et de tout écart de prix couru pendant la durée de la Pension Livrée (chacun de ces montants, un "<b>Montant de l'Ecart du Prix de la Pension Livrée</b>"). L'Emetteur paiera le Montant de l'Ecart du Prix de la Pension Livrée reçue au titre du Contrat de Pension Livrée à la Contrepartie du Swap.</p> <p>A la date finale de rachat en vertu du Contrat de Pension Livrée, la Contrepartie à la Pension Livrée payera un montant à l'Emetteur égal au prix de rachat de la Pension Livrée concernée (le "<b>Prix de Paiement du Rachat Final</b>") et l'Emetteur payera à la Contrepartie du Swap un montant (le cas échéant) dans la devise dans laquelle le Contrat de Pension Livrée est libellé égal au Prix de Paiement du Rachat Final reçu par l'Emetteur à cette date au bénéfice de la Contrepartie du Swap à condition qu'aucun [Evénement de Remboursement Anticipé Automatique,] Evénement de Remboursement Anticipé ou Cas de Défaut ne soit survenu.]</p> <p>[Si un Evénement de Remboursement Anticipé Automatique survient, à condition qu'aucun Evénement de Remboursement Anticipé ou Cas de Défaut ne survienne, l'Emetteur payera à la Contrepartie du Swap un montant (le cas échéant) dans la devise dans laquelle le Contrat de Pension Livrée est libellé égal au montant reçu par l'Emetteur en vertu du Contrat de Pension Livrée de la Contrepartie à la Pension Livrée avant ou à la Date de Remboursement Anticipé Automatique.]</p> <p><b>[Contrat d'Echange de Collatéral</b></p> <p>Lorsqu'un Contrat d'Echange de Collatéral a été conclu pour une souche de Titres Reconditionnés de Valeur Nominale, la Contrepartie de l'Echange de Collatéral payera tout montant reçu au titre du Collatéral Reçu (net des déductions et prélèvements à la source pour impôt) à l'Emetteur et l'Emetteur payera tout montant reçu au titre des Actifs Remis en Garantie de Remplacement (net des déductions et prélèvements à la source pour impôt) à la Contrepartie de l'Echange de Collatéral. En outre, la Contrepartie de l'Echange de Collatéral peut payer des frais à l'Emetteur que l'Emetteur payera à la Contrepartie du Swap.]</p> <p>Veillez-vous référer également à l'Elément B.25 ci-dessus.][<i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i>]</p>
<b>[B.30</b>	Nom et description des établissements à l'origine	BNP Paribas] est la contrepartie du Contrat de Swap [et du Contrat de Pension Livrée][et du Contrat d'Echange de Collatéral].

Elément	Description de l'Elément	
	des actifs titrisés	<p>[[BNPP] est la contrepartie au [Contrat de Pension Livrée][Le Contrat d'Echange de Collatéral].</p> <p>[[<i>Spécifier</i>] est l'émetteur des Actifs Donnés en Garantie de Référence.][<i>Insérer une brève description de l'Emetteur d'ADGR</i>]</p> <p>Veillez-vous référer également à l'Elément B.25 ci-dessus.][<i>A insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i>]</p>

### Section C – Valeurs Mobilières

Elément	Description de l'Elément	
C.1	Nature et catégorie des valeurs mobilières/ numéro d'identification (Code ISIN)	<p>Les Titres sont des obligations ("<b>Obligations</b>") et sont émis en Souches. Le Numéro de Souche des Titres est [●]. Le numéro de la Tranche est [●].</p> <p>Le Code ISIN est : [●].</p> <p>Le Code Commun est : [●].</p> <p>Le Code Mnemonic est : [●].</p> <p>[Les Titres seront consolidés et formeront une souche unique avec [<i>identifier les Tranches précédentes</i>] à compter de [la Date d'Emission/l'échange de la <i>Temporary Bearer Global Note</i> contre une <i>Permanent Bearer Global Note</i>, qui est prévu pour le [<i>spécifier la date</i>] ou à une date approchant].]</p> <p>Les Titres sont [des Titres à Règlement en Numéraire/des Titres à Règlement Physique].</p>
C.2	Devise	<p>[La devise de cette Souche de Titres est [●] ([●]).]</p> <p>[Les Obligations sont libellées en [<i>préciser la devise</i>] (la « <b>Devise Spécifiée</b> »), et les montants payables au titre des Obligations au titre [des intérêts] [et] [du principal] sont payables en [<i>préciser la devise</i>] (la « <b>Devise de Règlement</b> »)]</p>
C.5	Restrictions à la libre négociabilité	<p>Les Titres seront librement négociables, sous réserve des restrictions d'offre et de vente en vigueur aux États-Unis, dans l'Espace Economique Européen, en France, au Portugal, au Japon et en Australie et conformément à la Directive Prospectus et aux lois de toutes juridictions dans lesquelles les Titres sont offerts ou vendus.</p>
C.8	Droits s'attachant aux Titres	<p>Les Titres émis dans le cadre du Prospectus de Base seront soumis à des modalités concernant, entre autres, les questions suivantes :</p> <p><b>Rang de Créance des Titres</b></p>

Elément	Description de l'Elément	
		<p><i>[Dans le cas de Titres non assortis de sûretés émis par BNPP B.V. :</i></p> <p>Les Titres [et les Coupons y afférents] constituent des obligations directes, inconditionnelles, non assorties de sûretés et non subordonnées de l'Émetteur qui viennent et viendront au même rang, à tout moment entre eux et au moins avec toutes les autres dettes non assorties de sûretés et non subordonnées de l'Émetteur (sous réserve des exceptions relatives aux dettes privilégiées en vertu de la loi).]</p> <p><i>[Dans le cas de titres assortis de sûretés émis par BNPP B.V. :</i></p> <p>Les Titres émis et assortis de sûretés ("<b>Titres Assortis de Sûretés</b>") constituent des obligations non subordonnées et assorties de sûretés de BNPP B.V. qui viennent au même rang entre eux.]</p> <p><i>[Dans le cas de Titres émis par BP2F :</i></p> <p>Les Titres [et les Coupons y afférents] constituent des obligations directes, inconditionnelles, non assorties de sûretés, non subordonnées et générales de l'Émetteur, et viendront au même rang (sous réserve des dettes privilégiées en vertu de dispositions impératives des lois applicables), sans aucune préférence entre eux et au moins à égalité et au prorata avec toutes les autres obligations non assorties de sûretés et non subordonnées, présentes et futures, de l'Émetteur, y compris les garanties et autres obligations de nature similaire.]</p> <p><b>[Titres Assortis de Sûretés</b></p> <p>[BNPP B.V. consentira une sûreté en faveur de [BNP Paribas Trust Corporation UK Limited] [●] (l'"<b>Agent des Sûretés</b>") pour le compte de l'Agent des Sûretés et des titulaires concernés de Titres, sur des actifs (ces actifs étant ci-après dénommés : les "<b>Actifs Donnés en Garantie</b>") qui seront détenus sur un ou plusieurs comptes auprès de [●] (chacun étant ci-après dénommé : un "<b>Compte de Garanties</b>").</p> <p>[BNPP B.V. consentira une sûreté en faveur de [The Law Debenture Trust Corporation p.l.c.] [●] (le "<b>Fiduciaire des Sûretés</b>") pour le compte du Fiduciaire des Sûretés et des titulaires concernés de Titres, sur des actifs (ces actifs étant ci-après dénommés : les "<b>Actifs Donnés en Garantie</b>") qui seront détenus sur un ou plusieurs comptes auprès de [●] (chacun étant ci-après dénommé : un "<b>Compte de Garanties</b>").]</p> <p>[Les Titres Assortis de Sûretés seront garantis par le même pool d'Actifs Donnés en Garantie que d'autres séries de Titres Assortis de Sûretés][Les Titres Assortis de Sûretés seront la seule souche de Titres Assortis de Sûretés garantie par les Actifs Donnés en Garantie détenus sur le Compte de Garanties] (le "<b>Pool de Garanties</b>").</p> <p>[Les Actifs Donnés en Garantie composant le Pool de Garanties seront [l'un ou plusieurs] des actifs suivants :</p>

Elément	Description de l'Elément	
		<p>a) [[numéraire en Euro]/[numéraire en [●]]]</p> <p>b) [actions ou autres titres de capital [ordinaires]] ; [actions de préférence ou autres titres de capital similaires ;] [actions de préférence ou autres titres de capital ordinaires convertibles ;] [actions de préférence ou autres titres de capital similaires] [<i>American depositary receipts</i>]; [<i>global depositary receipts</i>] [warrants] [●] [qui représentent une participation au capital d'une entité] ("<b>Titres de Capital Eligibles Donnés en Garantie</b>") [émis par [●]/[Code ISIN [●]] ;]</p> <p>c) [Titres Indexés Donnés en Garantie/[Titres Indexés sur un Evénement de Crédit Donnés en Garantie] [Titres représentant une Participation à un Prêt Donnés en Garantie] [Prêts Donnés en Garantie] [Obligations Convertibles Données en Garantie] [Obligations Echangeables Données en Garantie] [Obligations Sécurisées Données en Garantie] [<i>Pfandbriefe</i> Donnés en Garantie] [Obligations Zéro Coupon Données en Garantie] [Titres de Dette Vanille] ABS Eligibles Donnés en Garantie]Fonds Eligibles Donnés en Garantie] [émis par [●]/[Code ISIN [●]] ;]</p> <p>[Les Actifs Donnés en Garantie composant le Pool de Garanties seront les Actifs Donnés en Garantie de Référence.]</p> <p>[L'Emetteur fournira des Actifs Donnés en Garantie au titre du montant nominal (la "<b>valeur nominale</b>") des Titres Assortis de Sûretés ("<b>Garantie de la Valeur Nominale</b>") [d'une partie de la valeur nominale des Titres Assortis de Sûretés ("<b>Garantie Partielle de la Valeur Nominale</b>") [de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie MTM</b>") [d'une partie de la valeur des Titres Assortis de Sûretés, réévaluée à la valeur de marché (« <i>marked to market</i> » et, par abréviation « MTM ») ("<b>Garantie Partielle de la MTM</b>")].</p> <p>[<i>Si les Titres Assortis de Sûretés sont des Titres Indexés sur des Actifs Donnés en Garantie :</i></p> <p>Les Titres Assortis de Sûretés sont des "<b>Titres Indexés sur des Actifs Donnés en Garantie</b>" et l'Emetteur fournira des sûretés au titre [du montant nominal (la "<b>valeur nominale</b>") des Titres Assortis de Sûretés ("<b>Garantie de la Valeur Nominale</b>")][d'une partie de la valeur nominale des Titres Assortis de Sûretés ("<b>Garantie Partielle de la Valeur Nominale</b>") (ces sûretés étant ci-après dénommées les "<b>Actifs Donnés en Garantie de Référence</b>") [et, en outre, l'Emetteur fournira des garanties au titre de la valeur réévaluée à la valeur de marché (« <i>marked to market</i> » 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 "<b>Actifs Ajustables MTM</b>")].</p> <p>Les Actifs Donnés en Garantie de Référence figurant dans le Pool de</p>

Elément	Description de l'Elément	
		<p>Garanties seront [l'un ou plusieurs] des actifs suivants :</p> <p>a) [[numéraire en Euro]/[numéraire en [●]]]</p> <p>b) [actions ou autres titres de capital [ordinaires]] ; [actions de préférence ou autres titres de capital similaires ;] [actions ou autres titres de capital ordinaires convertibles ;] [actions de préférence ou autres titres de capital similaires convertibles ;] [<i>American depositary receipts</i> ;] [<i>global depositary receipts</i> ;] [warrants] [●] [qui représentent une participation au capital d'une entité] ("<b>Titres de Capital Eligibles Donnés en Garantie</b>") [émis par [●]/[Code ISIN [●]] ; [et]</p> <p>c) [Titres Indexés Donnés en Garantie]/[Titres Indexés sur un Evénement de Crédit Donnés en Garantie] [Titres représentant une Participation à un Prêt Donnés en Garantie] [Prêts Donnés en Garantie] [Obligations Convertibles Données en Garantie] [Obligations Echangeables Données en Garantie] [Obligations Sécurisées Données en Garantie] [<i>Pfandbriefe</i> Donnés en Garantie] [Obligations Zéro Coupon Données en Garantie] [Titres de Dette Vanille] [ABS Eligibles Donnés en Garantie / Fonds Eligibles Donnés en Garantie] [émis par [●]/[Code ISIN [●]].</p> <p>[Les Actifs Ajustables MTM figurant dans le Pool de Garanties seront [l'un ou plusieurs] des actifs suivants :</p> <p>a) [[numéraire en Euro]/[numéraire en [●]]].[:]</p> <p>b) [actions ou autres titres de capital [ordinaires]] ; [actions de préférence ou autres titres de capital similaires ;] [actions ou autres titres de capital ordinaires convertibles ;] [actions de préférence ou autres titres de capital similaires convertibles ;] [<i>American depositary receipts</i> ;] [<i>global depositary receipts</i> ;] [warrants] [●] [qui représentent une participation au capital d'une entité] ("<b>Titres de Capital Eligibles Donnés en Garantie</b>") [émis par [●]/[Code ISIN [●]]] : [et]</p> <p>c) [Titres Indexés Donnés en Garantie] /[Titres Indexés sur un Evénement de Crédit Donnés en Garantie] [Titres représentant une Participation à un Prêt Donnés en Garantie] [Prêts Donnés en Garantie] [Obligations Convertibles Données en Garantie] [Obligations Echangeables Données en Garantie] [Obligations Sécurisées Données en Garantie] [<i>Pfandbriefe</i> Donnés en Garantie] [Obligations Zéro Coupon Données en Garantie] [Titres de Dette Vanille] [ABS Eligibles Donnés en Garantie][Fonds Eligibles Donnés en Garantie] [émis par[●] / [Code ISIN [●]]:]</p> <p>Les Actifs Donnés en Garantie de Référence [et les Actifs Ajustables MTM][et tout les actifs reçus par l'Emetteur en vertu d'une annexe de remise en garantie [et tous les Actifs Donnés en Garantie de Remplacement] constituent les "Actifs Donnés en Garantie" pour les Titres Assortis de Sûretés.]</p>

Elément	Description de l'Elément	
		<p>[L'Emetteur ne détiendra pas les Actifs Donnés en Garantie afférents à des Titres Assortis de Sûretés si lui-même ou l'un de ses affiliés est le propriétaire effectif de ces Titres Assortis de Sûretés.]</p> <p>[L'Emetteur acquerra des Actifs Donnés en Garantie de Référence relativement à [la valeur nominale des Titres Assortis de Sûretés concernés][une partie de la valeur nominale des Titres Assortis de Sûretés concernés].]</p> <p>[Si, à la suite de la réalisation ou de l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé aux titulaires de Titres pour une souche de Titres Assortis de Sûretés est inférieur au montant payable sur ces titres après cette réalisation ou cette exécution forcée, ce déficit sera irrévocablement garanti par BNPP.] [Lors de l'exécution forcée de la sûreté constituée sur le Pool de Garanties, les Actifs Donnés en Garantie et/ou la valeur réalisée grâce à la vente des Actifs Donnés en Garantie qui sont vendus en relation avec l'exécution forcée et la livraison, seront livrés aux titulaires de Titres concernés [et sans calcul de tout déficit éventuel [si ces Actifs Donnés en Garantie] sont livrés.]]</p> <p>[Le montant payable en vertu des Titres Assortis de Sûretés après la réalisation ou l'exécution forcée de la sûreté constituée sur un Pool de Garanties sera [le Montant de Liquidation de la Valeur de la Sûreté] [les Produits de Réalisation de la Valeur de la Sûreté] [les Produits de Réalisation de la Valeur Nominale Partielle] [le Montant de la Valeur Nominale] [le Montant de la Valeur du Déficit] [les Produits de Réalisation] [les Produits de Réalisation de la Valeur Nominale] [Les Produits de Réalisation de la Valeur Nominale Partielle] [Livraison Physique des Sûretés] (le "<b>Montant de Liquidation de la Sûreté</b>").]</p> <p>[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.]</p> <p>[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 et le Montant Nominal du Déficit total sera payable aux titulaires concernés. Si</p>

Elément	Description de l'Elément	
		<p>après la réalisation ou l'exécution forcée de la sûreté constituée sur le Pool de Garanties, le montant payé par BNPP B.V. au titre (i) de la valeur réévaluée de la valeur de marché (« <i>marked to market</i> ») de l'option que BNPP B.V. conclura afin de couvrir ses obligations et (ii) la valeur nominale des Titres qui ne bénéficie pas de sûreté, est inférieur à la somme du Montant de Liquidation MTM de la Sûreté et du Montant Nominal du Déficit obtenu grâce à [cette réalisation ou] cette exécution forcée [et ce paiement], le montant de ce déficit sera irrévocablement garanti par BNPP.]</p> <p>[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 au titre de l'exécution forcée et la livraison, seront livrés aux titulaires concernés et un montant égal aux revenus reçu par l'Emetteur en lien avec les autres Actifs Grevés (le cas échéant) sera du aux titulaires concernés après paiement de tous les montants dus conformément au rang de priorité de paiement concerné et ce, en priorité sur les montants dus aux titulaires. Si après la réalisation ou l'exécution forcée de la sûreté relative au Pool de Garanties, le montant payé aux titulaires de Titres à la suite de la réalisation des Actifs Grevés en lien avec les souches concernées de Titres Assortis de Sûretés est inférieur au Montant de Liquidation de la Sûreté à la suite de cette réalisation ou exécution forcée, un tel déficit sera irrévocablement garanti par BNPP.]</p> <p>[Les Titres Assortis de Sûretés seront également soumis à un ou plusieurs Cas de Remboursement Anticipé qui seront des événements affectant les Titres conduisant à un remboursement anticipé des Titres Assortis de Sûretés par le paiement d'un montant de remboursement anticipé ou par la livraison des Actifs Donnés en Garantie de Référence. De tels cas incluent des cas de perturbation additionnels, ou des cas de perturbation additionnels optionnels, pour lesquels l'Agent de Calcul détermine qu'il n'est pas possible de faire un ajustement adapté aux conditions des Titres, la fin du Contrat de Swap concerné, Contrat de Pension Livrée ou Contrat d'Echange de Collateral, cas liés à la valeur des Actifs Donnés en Garantie de Référence, les Titres Assortis de Sûretés ou le Contrat de Swap, cas relatifs au traitement fiscal des paiements en vertu des Actifs Donnés en Garantie de Référence, cas de changement de loi affectant les Actifs Donnés en Garantie de Référence ou l'entité qui émet des Actifs Donnés en Garantie de Référence de l'Entité, cas relatifs aux défauts, remboursements anticipés ou défauts de paiement relatifs aux Actifs Donnés en Garantie de Référence, cas tels que des faillites ou des restructurations concernant l'émetteur des Actifs Donnés en Garantie de Référence, la société-mère à laquelle il appartient (le cas échéant) ou tout garant ou d'autres cas qui pourraient être déclenchés par des événements intervenant relativement à l'émetteur des Actifs Donnés en Garantie de Référence, sa société-mère (le cas échéant) à ou tout garant des Actifs Remis en Garantie de Référence ou, lorsque cela est spécifié, concernant certaines autres entités spécifiés et pourrait, si cela est spécifié, être déclenché par des événements intervenant relativement à des obligations remplissant certaines caractéristiques de ces entités qui peuvent inclure, sans que cela soit</p>

Elément	Description de l'Elément	
		<p>exhaustif, les Actifs Donnés en Garantie de Référence concernés.</p> <p>En cas de survenance de l'un de ces Cas de Remboursement Anticipé, les Actifs Donnés en Garantie de Référence seront vendus ou, lorsque cela est spécifié comme applicable dans les Conditions Définitives, seront livrés aux titulaires des Titres Assortis de Sûretés après déduction des montants de la vente des Actifs Donnés en Garantie de Référence (lorsque la livraison physique est applicable) afin de payer les montants dus en priorité aux titulaires ce qui inclus, le cas échéant, les montants de résiliation dus à la Contrepartie du Swap, Contrepartie à la Pension Livrée ou la Contrepartie à l'Echange de Collateral.]</p> <p><b>Fiscalité</b></p> <p><i>[A insérer dans le cas des Obligations, si la clause de Brutage (« Gross-up ») n'est pas applicable :</i></p> <p><i>[Lorsque BNPP B.V. est l'Emetteur, insérer :</i></p> <p>Tous les paiements relatifs aux Obligations seront effectués libres de toute retenue à la source ou de tout prélèvement libératoire au titre de tous impôts et taxes imposés par la France, toute subdivision politique de celle-ci ou toute autre autorité française ayant pouvoir de prélever l'impôt (dans le cas de paiements effectués par BNPP en qualité de Garant) ou les Pays-Bas ou par toute subdivision politique de ceux-ci ou toute autorité néerlandaise ayant pouvoir de prélever l'impôt (dans le cas des paiements effectués par BNPP B.V.), sauf si cette retenue à la source ou ce prélèvement libératoire est exigé(e) par la loi. Si une telle retenue à la source ou un tel prélèvement libératoire est effectué, l'Emetteur ou, selon le cas, le Garant, sera tenu, excepté dans certaines circonstances limitées, de payer des montants additionnels pour couvrir les montants ainsi déduits.]</p> <p><i>[Lorsque BP2F est l'Emetteur, insérer :</i></p> <p>Tous les paiements relatifs aux Obligations seront effectués libres de toute retenue à la source ou de tout prélèvement libératoire au titre de tous impôts et taxes imposés par le Luxembourg, toute subdivision politique de celui-ci ou toute autre autorité luxembourgeoise ayant pouvoir de prélever l'impôt, ou, s'il y a lieu (dans le cas du Garant) par la Belgique ou toute subdivision politique de celle-ci ou toute autre autorité belge ayant le pouvoir de prélever l'impôt, sauf si cette retenue à la source ou ce prélèvement libératoire est exigé(e) par la loi. Si une telle retenue à la source ou un tel prélèvement libératoire est effectué, l'Emetteur ou, selon le cas, le Garant, sera tenu, excepté dans certaines circonstances limitées, de payer des montants additionnels pour couvrir les montants ainsi déduits.]]</p> <p><i>[Insérer si la clause de Brutage (« Gross-up ») est applicable : Ni l'Emetteur [ni le Garant] ne répondront de, ou ne seront autrement obligés de payer, tout impôt, taxe ou retenue à la source ou d'effectuer tout autre paiement qui</i></p>

Elément	Description de l'Elément	
		<p>pourra être dû en conséquence de la propriété, du transfert, de la présentation et de la restitution pour paiement de toute Obligation, ou du recouvrement forcé de toute Obligation, et tous les paiements effectués par l'Emetteur [ou le Garant] le seront sous réserve de tout impôt, taxe, retenue à la source ou autre paiement qui pourra devoir être payé, effectué ou déduit.]</p> <p>Les paiements seront soumis dans tous les cas (i) aux lois et réglementations fiscales ou autres qui leur sont applicables dans le lieu de paiement, mais sans préjudice des dispositions de la Modalité 6, (ii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu d'un accord de la nature décrite à la Section 1471(b) de l'<i>U.S. Internal Revenue Code</i> de 1986 (le "<b>Code</b>"), ou qui est autrement imposé en vertu des Sections 1471 à 1474 du Code, de toutes réglementations ou conventions prises pour leur application, de toutes leurs interprétations officielles ou (sans préjudice des dispositions de la Modalité 6) de toute loi prise pour appliquer une approche intergouvernementale de celles-ci, et (iii) à toute retenue à la source ou tout prélèvement libératoire devant être effectué en vertu de la Section 871(m) du Code.</p> <p><b>Maintien de l'Emprunt à son Rang</b></p> <p>Les modalités des Titres ne contiendront aucune clause de maintien de l'emprunt à son rang.</p> <p><b>Cas de Défaut</b></p> <p>Les modalités des Obligations prévoiront des cas de défaut, y compris le défaut de paiement, le défaut d'exécution ou le non-respect des obligations de l'Emetteur [ou du Garant] en vertu des Titres ; l'insolvabilité ou la liquidation de l'Emetteur ou [du Garant] ; <i>[A insérer si BP2F est l'Emetteur : le défaut de paiement par l'Emetteur ou le Garant d'autres dettes contractées ou garanties par l'Emetteur ou le Garant au titre d'emprunts d'un montant au moins égal à 50.000.000 EUR ou sa contre-valeur dans toute autre devise.]</i></p> <p><b>Assemblées Générales</b></p> <p>[Les modalités des Titres contiendront des dispositions relatives à la convocation d'assemblées générales des titulaires de ces Titres, afin d'examiner des questions affectant leurs intérêts en général. Ces dispositions permettront à des majorités définies de lier tous les titulaires, y compris ceux qui n'auront pas assisté et voté à l'assemblée concernée et ceux qui auront voté d'une manière contraire à celle de la majorité.]</p> <p><b>Loi applicable</b></p> <p>Le Contrat de Service Financier des Obligations (tel que modifié, complété et/ou retraité au cours du temps), l'Acte d'Engagement (<i>Deed of Covenant</i>) (tel que modifié, complété et/ou retraité au cours du temps), les Garanties au titre des Obligations, les Obligations, les Reçus et les Coupons, et tous</p>

Elément	Description de l'Elément	
		engagements non-contractuels découlant ou en lien avec le Contrat de Service Financier des Obligations (tel que modifié, complété et/ou retraits au cours du temps), l'Acte d'Engagement ( <i>Deed of Covenant</i> ) (tel que modifié, complété et/ou retraits au cours du temps), les Garanties, les Obligations (exception faite de ce qui est dit ci-dessus), les Reçus et les Coupons sont régis par le droit anglais, qui gouvernera également leur interprétation.
C.9	Intérêts/ Remboursement	<p><b>[Intérêts]</b></p> <p>[A insérer dans le cas d'Obligations non productives d'intérêts : les Titres ne portent pas intérêts et ne donneront lieu à aucun paiement d'intérêts [A insérer dans le cas d'Obligations vendues avec une décote par rapport à leur montant nominal : et seront offerts et vendus avec une décote par rapport à leur montant nominal].]</p> <p>[Les Titres [[portent/paient] des intérêts] [à compter de leur date d'émission/à compter du [●]] au taux fixe de [●]% par an. [Le rendement des Obligations s'élève à [●]%] [Les Intérêts] seront payés [annuellement] [à terme échu] le [●] de chaque année. Le premier paiement [d'intérêts] sera effectué le [●].]</p> <p>[Les Titres [[portent/paient] des intérêts] [à compter de leur date d'émission/à compter du [●]] à des taux variables calculés par référence à [préciser le taux de référence pour les Titres émis] [plus/moins] une marge de [●]%. [Les Intérêts] seront payés [trimestriellement/semestriellement/annuellement] [à terme échu] le [●] de chaque année [, sous réserve d'ajustement pour les jours non ouvrés]. Le premier paiement [d'intérêts] sera effectué le [●].]</p> <p>Les Titres [[portent/paient] des intérêts] [à compter de leur date d'émission/à compter du [●]] à [un taux structuré calculé par référence à [indiquer le sous-jacent] (le/les "<b>Sous-Jacent(s) de Référence</b>")]. [Les Intérêts] seront payés [trimestriellement/semestriellement/annuellement] [à terme échu] le [●] de chaque année [, sous réserve d'ajustement pour les jours non ouvrés]. Le premier paiement [d'intérêts] sera effectué le [●].]</p> <p>Le taux [d'intérêt] est calculé comme suit :</p> <p><b>[Coupon Fixe SPS]</b></p> <p><b>[Coupon Montant Variable SPS]</b></p> <p><b>[Coupon Digital]</b></p> <p><b>[Coupon Snowball Digital]</b></p> <p><b>[Coupon Accrual Digital]</b></p> <p><b>[Coupon Stellar]</b></p> <p><b>[Coupon Cappuccino]</b></p> <p><b>[Coupon Ratchet]</b></p>

Elément	Description de l'Elément	
		<p>[Coupon Driver]</p> <p>[Coupon Nova]</p> <p>[Coupon Sum]</p> <p>[Coupon Option Max]</p> <p>[Coupon FX Vanilla]</p> <p>[Coupon FI Digital]</p> <p>[Coupon FX Digital]</p> <p>[Coupon Range Accrual]</p> <p>[Coupon FX Range Accrual]</p> <p>[Coupon FX Memory]</p> <p>[Coupon Combination Floater]</p> <p>[Coupon PRDC]</p> <p>[Coupon FI Digital Floor]</p> <p>[Coupon FI Digital Cap]</p> <p>[Coupon FI Target]</p> <p><i>[A insérer si la clause de Changement du Coupon est applicable : Si [l'Emetteur choisit de modifier [le taux d'intérêt] [un Cas de Changement Automatique du Coupon survient], [le taux d'intérêt] des Titres sera modifiée à compter de la Date de Changement du Coupon [notifiée aux investisseurs] [suivant immédiatement la réalisation d'un Cas de Changement Automatique du Coupon] et les Titres [payeront/porteront] intérêts] de [préciser le taux].</i></p> <p>[Au titre de chaque [Obligation d'un montant de nominal égal au Montant de Calcul], un Montant Additionnel de Changement de Coupon de [préciser] sera payable lors de la Date de Paiement d'Intérêt spécifiée dans les Conditions Définitives applicables comme étant la Date de Paiement de Changement Automatique du Coupon.]</p> <p>["Cas de Changement Automatique du Coupon" désigne [préciser].]</p> <p>"Date de Changement du Coupon" désigne [préciser].]</p> <p><i>[Insérer dans le cas d'Obligations Indexées sur un Evénement de Crédit:</i></p> <p>Si une Date de Détermination de l'Evénement (caractérisée par la survenance d'un événement de crédit et la satisfaction de certaines conditions) survient au titre d'une Entité de Référence, les intérêts cesseront de courir pour la partie</p>

Elément	Description de l'Elément	
		<p>concernée de chaque Titre Indexé sur un Evénement de Crédit (correspondant à une quote-part par Titre Indexé sur un Evénement de Crédit du [montant nominal lié à l'entité de référence] [montant déprécié] pour l'Entité de Référence affectée), à compter de la [[date de fin de la période d'intérêts] [date de paiement des intérêts] précédant immédiatement une telle Date de Détermination de l'Evénement ou, dans le cas de la première période d'intérêts, la date de commencement d'intérêts] [Date de Détermination de l'Evénement] (comprise).]</p> <p>[Les stipulations ci-dessus sont sujet à des ajustements tels que prévus dans les modalités des Titres Indexés sur un Evénement de Crédit pour prendre en compte les événements affectant le Sous-jacent de Référence ou les Titres Indexés sur un Evénement de Crédit. Cela pourrait conduire à des ajustements des Titres Indexés sur un Evénement de Crédit [ou, dans certain cas, à résilier de manière anticipée les Titres Indexés sur un Evénement de Crédit à un montant de remboursement anticipé (voir ci-dessous).]</p> <p><i>[A insérer en cas d'Obligations à Intérêt en Double Devise :</i></p> <p>Tout montant calculé pour être payable au titre des intérêts, sera converti dans la Devise de Règlement au [préciser le taux de change fixe ou le taux de change (y compris tout taux de change en vertu duquel le taux de change concerné est dérivé), y compris les sources (le cas échéant) sur lesquelles ce taux de change est déterminé et la durée/date de détermination de ces taux de change.]</p> <p>Les dispositions ci-dessus sont sous réserve d'ajustements conformément aux modalités des Obligations afin de prendre en compte les événements en rapport avec la Devise Spécifiée. Cela peut entraîner des retards dans le paiement des intérêts, ou ces paiements pourraient être effectués dans une autre devise que celle prévue. Dans de telles circonstances, les Obligataires peuvent également être tenus de fournir certaines informations à l'Emetteur (y compris, <i>inter alios</i>, en précisant un compte dans lequel ils peuvent recevoir la devise concernée), et les paiements par l'Emetteur peuvent être retardés ou l'Emetteur peut se voir libéré de ses obligations de paiement au titre des Obligations, si les Obligataires ne parviennent pas à fournir les informations demandées dans le délai prescrit.]</p> <p><b>Remboursement</b></p> <p>A moins qu'il ne soit antérieurement remboursé, chaque Titre sera remboursé le [●] [au [pair]/[[●]% de son montant nominal]][dans les conditions indiquées à l'Elément C.18].</p> <p><i>[A insérer si la clause de Changement de la Formule de Paiement est applicable:</i> Si l'Emetteur choisit de modifier [la Base de remboursement/la formule de paiement] [la Formule de Paiement Final] [s'il survient un Cas de Changement Automatique de la Formule de Paiement], [la Base de remboursement/la formule de paiement] [[la Formule de Paiement Final] des</p>

Elément	Description de l'Elément	
		<p>Titres sera modifié à compter du [●] (la "<b>Date de Changement de la Formule de Paiement</b>") pour passer à [<i>spécifier la nouvelle formule de paiement issue du changement</i>].</p> <p><b>"Cas de Changement Automatique de la Formule de Paiement"</b> désigne [<i>préciser</i>].]</p> <p>Les Obligations peuvent être remboursées par anticipation pour des raisons fiscales, au Montant de Remboursement Anticipé calculé conformément aux Modalités. [Les Obligations peuvent également être remboursées par anticipation [à l'option de l'Emetteur] [ou] [à l'option des Obligataires] au Montant de Remboursement Optionnel égal à :</p> <p>[Montant de Calcul x [●] %]</p> <p>[Formule de Paiement SPS Call [en cas de remboursement anticipé des Obligations à l'option de l'Emetteur]]</p> <p>[Formule de Paiement SPS Put [en cas de remboursement anticipé des Obligations à l'option des Obligataires]].]</p> <p>[Les Obligations peuvent également être remboursées par anticipation pour [<i>spécifier toute autre option de remboursement anticipé applicable aux Titres émis</i>] pour [<i>spécifier le montant de remboursement anticipé et tous montants de remboursement maximum ou minimum, applicables aux Titres émis</i>].]</p> <p>[<i>A insérer en cas d'Obligations à Remboursement en Double Devise :</i></p> <p>Tout montant calculé pour être payable au titre du remboursement des Obligations, sera converti dans la Devise de Règlement au [<i>préciser le taux de change fixe ou le taux de change (y compris tout taux de change en vertu duquel le taux de change concerné est dérivé), y compris les sources (le cas échéant) sur lesquelles ce taux de change est déterminé et la durée/date de détermination de ces taux de change.</i>]</p> <p>Les dispositions ci-dessus sont sous réserve d'ajustements conformément aux modalités des Obligations afin de prendre en compte les événements en rapport avec la Devise Spécifiée. Cela peut entraîner des retards dans le paiement du principal, ou ces paiements pourraient être effectués dans une autre devise que celle prévue. Dans de telles circonstances, les Obligataires peuvent également être tenus de fournir certaines informations à l'Emetteur (y compris, <i>inter alios</i>, en précisant un compte dans lequel ils peuvent recevoir la devise concernée), et les paiements par l'Emetteur peuvent être retardés ou l'Emetteur peut se voir libéré de ses obligations de paiement au titre des Obligations, si les Obligataires ne parviennent pas à fournir les informations demandées dans le délai prescrit.]</p> <p><b>Représentant des Titulaires</b></p> <p>[Aucun représentant des Titulaires n'a été nommé par l'Emetteur.]</p>

Elément	Description de l'Elément	
		Sur les droits s'attachant aux Titres, veuillez également vous référer à l'Elément C.8 ci-dessus.
C.10	Paiement des intérêts liés à un ou plusieurs instrument(s) dérivé(s)	[Sans objet] [Les paiements d'intérêts sur les Titres seront déterminés par référence à la performance du/des Sous-Jacent(s) de Référence.  Veuillez également vous référer aux Eléments C.9 ci-dessus et C.15 ci-dessous.]
C.11	Admission à la Négociation	[Une demande [a été présentée][doit être présentée] par l'Emetteur (ou pour son compte) en vue de faire admettre les Titres à la négociation sur [Euronext Paris]/[la Bourse de Luxembourg] /[la Bourse Italienne]/[le marché EuroMTF]/[Euronext Bruxelles]/[NASDAQ OMX Helsinki Ltd.]/[Nordic Growth Market]/[●].]  [Les Titres ne sont pas destinés à être admis à la négociation sur un marché quelconque.]
[C.12	Valeur nominale minimale de l'émission	La valeur nominale minimale de l'émission est [●].][ <i>Insérer lorsque les Titres sont des Titres Reconditionnés de Valeur Nominale</i> ]
C.15	Description de l'impact de la valeur du sous-jacent sur la valeur de l'investissement	Le [ <i>Si les Titres paient des intérêts, insérer : montant payable au titre des intérêts et</i> ] [le montant payable][les actifs livrables] lors du remboursement [est/sont] calculé[s] par référence au/aux Sous-Jacents de Référence. Voir les Eléments C.9 ci-dessus et C.18 ci-dessous.
C.16	Echéance des Titres Dérivés	La Date d'Echéance des Titres est le [●].
C.17	Procédure de Règlement	Les Titres de cette Souche sont des titres [à règlement en numéraire/à règlement physique].  L'Emetteur [a/n'a pas] l'option de modifier le mode de règlement. [[Le Titulaire peut opter pour un règlement en numéraire ou un règlement physique.] Le Garant peut modifier le mode de règlement.]
C.18	Produits des Titres Dérivés	Sur les droits s'attachant aux Titres, voir l'Elément C.8 ci-dessus.  [Voir l'Elément C.9 ci-dessus pour des informations sur les intérêts.]  <b>Remboursement Final</b>  A moins qu'il n'ait été préalablement remboursé ou racheté et annulé, chaque Titre sera remboursé par l'Emetteur à la Date d'Echéance pour [ <i>Indiquer dans le cas de Titres à règlement en numéraire : [●]/[le Montant de Remboursement Final égal à:]</i> ][ <i>Indiquer dans le cas de Titres à règlement physique : par la livraison du Montant des Droits à Règlement Physique, soit la quantité de [préciser les actifs concernés] (les "Actifs Concernés") égale à :</i> ]

Elément	Description de l'Elément	
		<p>[[Si les Obligations sont des Titres Indexés sur un Evénement de Crédit et si une Date de Détermination de l'Evénement survient au titre d'une Entité de Référence, [la partie concernée de] de chaque Titre Indexé sur un Evénement de Crédit [(correspondant à une quote-part par Titre Indexé sur un Evénement de Crédit du montant nominal lié à l'entité de référence pour l'Entité de Référence affectée)] sera remboursée [au <i>pro rata</i> de son [Montant de Règlement par Enchères, sous réserve d'ajustement de règlement] [Montant de Règlement en Numéraire de l'Evénement de Crédit]] [par règlement physique]] [le montant du principal impayé de chaque Titre Indexé sur un Evénement de Crédit sera réduit de la quote-part du montant de dépréciation applicable de l'Entité de Référence affectée et chaque Titre Indexé sur un Evénement de Crédit sera remboursé, à la dernière date de règlement, du reste du [montant du principal impayé par Titre Indexé sur un Evénement de Crédit] [(plus (le cas échéant) d'une quote-part par Titre Indexé sur un Evénement de Crédit des montants de recouvrement encourus agrégés, diminuée des coûts de dénouement agrégés))] [<i>indiquer tout autre montant de remboursement ou de règlement applicable</i>].</p> <p>Si aucune Date de Détermination de l'Evénement ne survient [au titre d'une Entité de Référence], chaque [Titre Indexé sur un Evénement de Crédit sera remboursé au montant principal en circulation par Titre Indexé sur un Evénement de Crédit [(ou la partie concernée)]]].]]</p> <p><b>Formules de Paiement Final</b></p> <p><b>Formules de Paiement Final des Titres Structurés SPS (Structured Products Securities)</b></p> <p><b>[Titres Fixed Percentage :</b> produits à terme fixe qui ont un rendement égal à un pourcentage fixe.</p> <p>[<i>Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)</i>]</p> <p>[<i>Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable</i>]</p> <p>[<i>Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)</i>]]</p> <p><b>[Titres Reverse Convertible :</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence et sur le niveau d'une barrière activante. Le capital n'est pas garanti.</p> <p><b>[Reverse Convertible]</b></p>

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

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

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

Elément	Description de l'Elément	
		<p>garanti]/[partiellement garanti]/[non garanti].</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Option Max:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence. Le rendement est calculé par référence au rendement maximum déterminé par l'application d'autres formules de paiement. Le capital est [totalement garanti]/[partiellement garanti]/[non garanti].</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres Stellar:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un panier de Sous-Jacents de Référence. Le calcul du rendement, qui est soumis à un plancher, est obtenu par application de la moyenne des rendements de chaque Sous-Jacent de Référence du panier, chacun étant soumis à un plafond et un plancher.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p>

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

Elément	Description de l'Elément	
		<p><i>1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Titres liés à l'inflation:</b> produits à terme fixe qui ont un rendement indexé sur la performance d'un ou plusieurs Sous-Jacents de Référence.</p> <p><i>[Insérer la Formule de Paiement Final applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement Final applicable]</i></p> <p><i>[Insérer la description de la Formule de Paiement Final telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>Montant des Droits à Règlement Physique</b></p> <p><i>[Insérer le Montant des Droits à Règlement Physique applicable tel que décrit en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><b>[Livraison du Sous-Jacent le Moins Performant]</b></p> <p><b>[Livraison du Sous-Jacent le Plus Performant]</b></p> <p><b>[Livraison du Sous-Jacent]</b></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant le Montant des Droits à Règlement Physique applicable]</i></p> <p><i>[Insérer si Livraison du Sous-Jacent le Moins Performant, Livraison du Sous-Jacent le Plus Performant ou Livraison du Sous-Jacent est spécifié :</i></p> <p>Le Montant du Droit à Règlement Physique sera arrondi à la baisse à l'unité la plus proche de chaque Actif Concerné pouvant être livré et, l'Emetteur paiera, au lieu de celui-ci, un montant égal à l'Arrondi et au Montant Résiduel.]</p> <p><b>[Remboursement Anticipé Automatique</b></p>

Elément	Description de l'Elément	
		<p>Si, [lors de toute Date d'Evaluation du Remboursement Anticipé Automatique][au cours d'une Période de Valorisation de Remboursement Anticipé Automatique il survient un Cas de Remboursement Anticipé Automatique, les Titres seront [remboursés par anticipation] pour le Montant de Remboursement Anticipé Automatique à la Date de Remboursement Anticipé Automatique.</p> <p>[le Montant de Remboursement Anticipé Automatique au titre de chaque montant nominal d'Obligations égal au Montant de Calcul sera [égal au produit obtenu en multipliant (i) le Montant de Calcul par (ii) la somme de [●] (le "Pourcentage du Remboursement Anticipée Automatique") et de [●] le "Taux AER" (Taux de Remboursement Anticipé Automatique)]/[un montant égal à :]]</p> <p><b>Formules de Paiement en cas de Remboursement Anticipé Automatique</b></p> <p><b>[Formule de Paiement en cas de Remboursement Anticipé Automatique SPS]</b></p> <p><b>[Remboursement Anticipé Automatique Target]</b></p> <p><b>[Remboursement Anticipé Automatique du Sous-Jacent FI]</b></p> <p><b>[Remboursement Anticipé Automatique du Coupon FI]</b></p> <p><i>[Insérer la Formule de Paiement en cas de Remboursement Anticipé Automatique applicable telle que décrite en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p><i>[Insérer la/les Formules, valeurs, autres informations telles que décrites en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final) dans le Prospectus de Base concernant la Formule de Paiement en cas de Remboursement Anticipé Automatique applicable]</i></p> <p><i>[Insérer la description du Remboursement Anticipé Automatique applicable tel que décrit en Annexe 1 (Modalités additionnelles applicables aux Formules de Paiement Final)]</i></p> <p>[Si le Montant de Remboursement Anticipé Automatique n'est pas un montant en [préciser] (la "<b>Devise de Règlement</b>"), il sera converti dans la Devise de Règlement au taux de [préciser le taux de change].]</p> <p><b>["Cas de Remboursement Anticipé Automatique"]</b> désigne <i>[insérer dans le cas où Remboursement Anticipé Automatique Target est applicable : le Coupon Cumulatif est égal ou supérieur à [insérer le Pourcentage de Remboursement Anticipé Automatique]]</i> /<i>[Insérer dans le cas où Remboursement Anticipé Automatique Sous-Jacent FI est applicable : le [insérer pour tous les Sous- Jacent de Référence autres que Devise Considérée : Niveau du Sous- Jacent de Référence]</i><i>[insérer si le Sous-Jacent</i></p>

Elément	Description de l'Elément	
		<p>de Référence est Devise Considérée: FX Coupon Performance] est (i) égal ou supérieur à [insérer Remboursement Anticipé Automatique Niveau 1] et (ii) inférieur ou égal à [insérer Remboursement Anticipé Automatique Niveau 2] / [insérer dans le cas où Remboursement Anticipé Automatique du Coupon FI est applicable : le produit (i) du Taux d'Intérêt et (ii) la Fraction de Jours Décomptés, dans chaque cas en relation avec la Période d'Intérêt Actuelle, est supérieur ou égal à [insérer le Pourcentage de Remboursement Anticipé Automatique]]/[insérer dans le cas où Remboursement Anticipé Automatique Standard et Valorisation SPS AER sont applicables : Valeur SPS AER 1 en relation avec [préciser Cas AER 1 pour le(s) Sous-Jacent(s)] (le "<b>Cas AER 1 pour le(s) Sous-Jacent(s)</b>") est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] [insérer le Niveau de Remboursement Anticipé Automatique 1]/[insérer si Cas de Remboursement Anticipé Automatique 2 est spécifié : et/ou Valeur SPS AER 2 en relation avec [préciser Cas AER 2 pour le(s) Sous-Jacent(s)] (le "<b>Cas AER 2 pour le(s) Sous-Jacent(s)</b>") est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] [insérer le Niveau de Remboursement Anticipé Automatique 2]]/[insérer dans le cas où Remboursement Anticipé Automatique Standard est applicable et Valorisation SPS AER n'est pas applicable : [insérer si Cas AER 1 Panier n'est pas applicable : le Niveau de Référence 1 du Sous-Jacent] [insérer si Cas AER 1 Panier est applicable : le Prix 1 Panier] est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] [insérer le Niveau 1 de Remboursement Anticipé Automatique] [insérer si Cas de Remboursement Anticipé Automatique est spécifié : et/ou [insérer si Cas AER 2 Panier n'est pas applicable : le Niveau de Référence 2 du Sous-Jacent] [insérer si Cas AER 2 Panier est applicable : le Prix 2 Panier] est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] [insérer le Niveau 2 de Remboursement Anticipé Automatique]]/[un Knock-out AER intervient]/[que lors de l'(les) Heure(s) d'Observation lors d'une Date de Valorisation d'un Remboursement Anticipé Automatique le Prix d'Observation est [inférieur ou égal au]/[supérieur ou égal au]/[Seuil de Sécurité applicable]/[insérer dans le cas où Remboursement Anticipé Automatique Standard Unique et Valorisation SPS AER sont applicables : Valeur SPS AER est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] [insérer le Niveau de Remboursement Anticipé Automatique]/[insérer dans le cas où Remboursement Anticipé Automatique Standard Unique est applicable et que Valorisation SPS AER n'est pas applicable : [insérer dans le cas d'un seul Sous-Jacent : le Niveau de Référence du Sous-Jacent] [insérer dans le cas d'un Panier de Sous-Jacents de Référence : le Prix du Panier] est [supérieur à]/[supérieur ou égal à]/[inférieur à]/[inférieur ou égal à] [insérer le Niveau de Remboursement Anticipé Automatique]]]]</p> <p>["<b>Date d'Evaluation du Remboursement Anticipé Automatique</b>" désigne [●], sous réserve d'ajustement.]</p> <p>["<b>Date de Remboursement Anticipé Automatique</b>" désigne [●], sous réserve d'ajustements.]]</p>

Elément	Description de l'Elément	
		<p>[Les stipulations ci-dessus sont sujettes à des ajustements tel que prévu dans les modalités des Titres pour tenir compte des événements en relation avec le Sous-Jacent de Référence ou les Titres. Cela pourrait conduire à la réalisation d'ajustement des Titres [ou dans certain cas à l'exigibilité anticipée pour le montant de remboursement anticipé (voir l'Elément C.9)].]</p> <p><i>[A insérer en cas d'Obligations à Remboursement en Double Devise :</i></p> <p>Tout montant calculé pour être payable au titre du remboursement des Obligations, sera converti dans la Devise de Règlement au <i>[préciser le taux de change fixe ou le taux de change (y compris tout taux de change en vertu duquel le taux de change concerné est dérivé), y compris les sources (le cas échéant) sur lesquelles ce taux de change est déterminé et la durée/date de détermination de ces taux de change.]</i></p> <p>Les dispositions ci-dessus sont sous réserve d'ajustements conformément aux modalités des Obligations afin de prendre en compte les événements en rapport avec la Devise Spécifiée. Cela peut entraîner des retards dans le paiement du principal, ou ces paiements pourraient être effectués dans une autre devise que celle prévue. Dans de telles circonstances, les Obligataires peuvent également être tenus de fournir certaines informations à l'Emetteur (y compris, <i>inter alios</i>, en précisant un compte dans lequel ils peuvent recevoir la devise concernée), et les paiements par l'Emetteur peuvent être retardés ou l'Emetteur peut se voir libéré de ses obligations de paiement au titre des Obligations, si les Obligataires ne parviennent pas à fournir les informations demandées dans le délai prescrit.]</p>
<b>C.19</b>	Prix de Référence Final du Sous-Jacent	[Sans objet, il n'existe aucun prix de référence final du Sous-Jacent.] [Le prix de référence final du Sous-Jacent sera déterminé selon le mécanisme d'évaluation indiqué dans [l'Elément C.9] [et] [l'Elément C.18] ci-dessus.]
<b>C.20</b>	Sous-Jacent de Référence	<p>[Sans objet, il n'y a pas de sous-jacent]</p> <p>[Le Sous-Jacent de Référence spécifié dans l'Elément C.9] [et] [l'Elément C.18] ci-dessus. Des informations relatives au Sous-Jacent de Référence peuvent être obtenues auprès de [●]. <i>[Insérer quand Sous-Jacent de Référence est un Indice et que Valorisation du Prix des Instruments à Terme s'applique : Valorisation du Prix des Instruments à Terme est applicable et le Prix de Règlement [ou Premier Prix Négocié] de l'Indice est déterminé par référence au contrat à terme ou contrat d'options suivant lié à cet Indice : [préciser]].]</i></p>

#### Section D – Risques

Elément	Description de l'Elément	
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Elément	Description de l'Elément	
D.2	Principaux risques propres à l'Emetteur [et au Garant]	<p>[Les acquéreurs prospectifs de Tires émis en vertu de ce Prospectus de Base devraient avoir une expérience suffisante des options et des transactions sur options et devraient comprendre les risques liés aux transactions concernant les Titres. Un investissement dans les Titres présente certains risques qui devraient être pris en compte avant qu'une décision d'investissement ne soit prise. Certains risques peuvent affecter la capacité de l'Emetteur à remplir ses obligations en vertu des Titres ou la capacité du Garant à remplir ses obligations au titre de la Garantie, dont certains sont en dehors de son contrôle. Plus particulièrement, l'Emetteur (et le Garant), ensemble avec le Groupe BNPP, sont exposés aux risques inhérents à ses activités, tels que décrits ci-dessous :</p> <p><b>Garant:</b></p> <p><b>Emetteur :</b></p> <p>[A insérer lorsque BNPP B.V. est l'Emetteur :</p> <p>Les risques principaux concernant BNPP et décrits ci-dessus sont également les risques principaux concernant BNPP B.V., pris individuellement ou en tant que société du Groupe BNPP.</p> <p><i>Risque de dépendance</i></p> <p>BNPP B.V. est une société opérationnelle. Les actifs de BNPP B.V. sont constitués des obligations des autres entités du Groupe BNPP. La capacité de BNPP B.V. à remplir ses propres obligations dépendra de la capacité des autres entités du Groupe BNPP à remplir les leurs. La capacité de BNPP B.V. à remplir ses obligations en vertu des titres qu'il émet dépend de la bonne exécution des paiements qui lui sont dus au titre de certains contrats de couverture qu'il conclut avec d'autres entités du Groupe BNPP [à insérer pour les Titres Reconditionnés de Valeur Nominale : et, dans le cas des Titres Reconditionnés de Valeur Nominale, sa capacité à remplir ses obligations dépend des Actifs Donnés en Garantie de Référence et/ou d'autres contrats, tels que des contrats de pension livrée, selon le cas]. En conséquence, les Titulaires de titres émis par BNPP B.V., sous réserve des stipulations de la Garantie émise par BNPP, seront exposés au risque lié à la capacité des entités du Groupe BNPP à remplir leurs obligations dans le cadre de ces contrats de couverture [A insérer pour les Titres Reconditionnés de Valeur Nominale : , et, dans le cas de Titres Reconditionnés de Valeur Nominale, à la capacité du ou des émetteurs des Actifs Donnés en Garantie de Référence ou des parties engagées contractuellement dans le cadre de ces actifs, à payer les montants dus au titre de ces Actifs Donnés en Garantie de Référence et/ou la capacité de leurs contreparties à remplir leurs obligations respectives dans le cadre d'autres contrats].</p> <p><i>Risque de Marché</i></p>

Elément	Description de l'Elément	
		<p>BNPP B.V. est exposé aux risques de marché résultant des positions prises sur les taux d'intérêts, les taux de change, les matières premières et les produits sur actions, tous étant exposés aux fluctuations générales et spécifiques liées aux marchés. Ces risques sont cependant couverts par des contrats d'option et d'échange (<i>swap</i>) et sont par conséquent, en principe, atténués.</p> <p><i>Risque de Crédit</i></p> <p>BNPP B.V. est exposé à une concentration de risques de crédit significative étant donné que tous les contrats de swap sont conclus de gré-à-gré avec sa société-mère et d'autres entités du Groupe BNPP. Prenant en considération l'objectif et les activités de BNPP B.V. et le fait que sa société-mère soit sous la supervision de la Banque centrale européenne et de l'Autorité de contrôle prudentiel et de résolution, la direction estime ces risques comme étant acceptables. La dette senior à long terme de BNP Paribas est notée (A) par Standard &amp; Poor's et (A1) par Moody's.</p> <p><i>Risque de liquidité</i></p> <p>BNPP B.V. a une exposition significative au risque de liquidité. Pour réduire cette exposition, BNPP B.V. a conclu des conventions de compensation avec sa société-mère et les autres entités du Groupe BNPP.]</p> <p>[A Insérer si BP2F est l'Emetteur :</p> <p>On trouvera ci-dessous un récapitulatif de certaines considérations supplémentaires d'investissement liées aux activités de BP2F :</p> <p>(1) <i>Risque Opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défectueux ou inadéquats, d'erreurs humaines, d'événements externes ou de changements dans l'environnement concurrentiel qui porte atteinte à la franchise ou à l'économie opérationnelle de l'activité.</p> <p>Afin de limiter ces risques opérationnels, BP2F a engagé en 2013 deux employés à temps partiel de BNP Paribas Fortis SA/NV.</p> <p>(2) <i>Risque Juridique et Fiscal</i> – BP2F peut faire face à des risques légaux et fiscaux.</p> <p>En cas de risque juridique potentiel, BP2F sollicitera l'avis du département juridique de BNPPF et de conseils externes, si cela est requis par un directeur exécutif ou par un membre du conseil d'administration.</p> <p>En cas de risque fiscal potentiel, BP2F sollicitera l'avis des spécialistes fiscaux de sa société-mère et de conseils fiscaux externes, si cela est requis par un membre du conseil</p>

Elément	Description de l'Elément	
		<p>d'administration.</p> <p>(3) <i>Risque de Liquidité</i> – le risque de liquidité est le risque que BP2F, bien que solvable, n'ait pas suffisamment de ressources financières disponibles pour faire face à ces obligations exigibles ou ne puisse octroyer de sûreté ou ne vendre ses actifs qu'à un prix excessivement élevé.</p> <p>(4) <i>Risque Financier</i> – le risque financier englobe deux types de risques :</p> <ul style="list-style-type: none"> <li>• le risque de crédit – il s'agit du risque qu'un emprunteur ou qu'une contrepartie ne soit pas en mesure d'honorer sa dette ; et</li> <li>• le risque de marché – il s'agit du risque de perte potentielle résultant de l'évolution défavorable des cours sur les marchés, qui peut survenir en cas de négociation d'instruments financiers ou de détention de positions sur instruments financiers.</li> </ul> <p>(5) <i>Risque de Règlement</i> – le risque de règlement est le risque que BP2F prend en étant responsable de la gestion quotidienne de trésorerie en surveillant le solde de trésorerie de BP2F.</p> <p>BP2F a mis en place une procédure de paiement approuvée par le conseil d'administration et acceptée par BGL BNP Paribas S.A. afin d'atténuer ce risque.</p> <p>(a) La principale protection de crédit pour les Titres émis par BP2F proviendra des garanties données par BNPPF.</p> <p>(b) La capacité de BP2F d'exécuter ses obligations à l'égard du retour structuré au titre des titres structurés peut dépendre de la capacité des contreparties de couverture de respecter leurs obligations en vertu de la couverture.</p> <p>(c) La capacité de BP2F à effectuer des paiements prévus par les Titres peut dépendre de la performance d'exploitation des sociétés auxquelles les produits des Titres sont prêtés.</p> <p>(d) La situation financière des sociétés opérationnelles auxquelles les produits des Titres sont prêtés peut se détériorer, ce qui peut affecter la capacité de BP2F à effectuer les paiements prévus par les Titres qu'il émet.</p> <p>(e) En cas de situations économiques négatives ou difficiles, BP2F peut avoir des difficultés à obtenir des financements supplémentaires.</p> <p>(f) Les règles fiscales relatives au prix de transfert au Luxembourg</p>

Elément	Description de l'Elément	
		<p>engendrent des coûts additionnels qui peuvent évoluer régulièrement.]</p> <p>[A insérer si BNPP est le Garant : Onze principaux risques sont inhérents aux activités de BNPP :</p> <p>(1) <i>Risque de crédit</i> – le risque de crédit est la probabilité que l'emprunteur de la banque ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et le taux de recouvrement du prêt ou de la créance en cas de défaut sont des éléments essentiels de l'évaluation de la qualité de crédit ;</p> <p>(2) <i>Risque de crédit de la contrepartie</i> – Le risque de crédit de la contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de paiement ou de transactions entre des contreparties. Ces opérations comprennent les contrats financiers bilatéraux, c'est-à-dire de gré à gré (<i>over-the-counter</i> – OTC) qui peuvent exposer la Banque au risque de défaut de sa contrepartie, ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions ou portefeuilles concernés ;</p> <p>(3) <i>Titrisation</i> – La Titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :</p> <ul style="list-style-type: none"> <li>• les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;</li> <li>• la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.</li> </ul> <p>Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;</p> <p>(4) <i>Risque de marché</i> – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.</p> <p>Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le</p>

Elément	Description de l'Elément	
		<p>prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.</p> <p>Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.</p> <p>Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.</p> <p>L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.</p> <p>Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;</p> <p>(5) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défaillants ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.</p> <p>Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.</p> <p>Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (<i>conduct risk</i>), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation</p>

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		<p>d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;</p> <p>(6) <i>Risque de non-conformité et de réputation</i> – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.</p> <p>Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de l'établissement. C'est pour cette raison que la Banque traite le risque de non-conformité en tant que tel.</p> <p>Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.</p> <p>Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par la Banque ;</p> <p>(7) <i>Risque de concentration</i> – Le risque de concentration et son corollaire, les effets de diversification, sont intégrés au sein de chaque risque notamment en ce qui concerne le risque de crédit, le risque de marché et le risque opérationnel via les paramètres de corrélation pris en compte par les modèles traitant de ces risques.</p> <p>Le risque de concentration est apprécié au niveau du Groupe consolidé et du conglomérat financier qu'il représente ;</p> <p>(8) <i>Risque de taux de portefeuille bancaire</i> – Le risque de taux du portefeuille bancaire est le risque de perte de résultats lié aux décalages de taux, d'échéance et de nature entre les actifs et passifs. Pour les activités bancaires, ce risque s'analyse hors du portefeuille de négociation et recouvre essentiellement ce qui est appelé le risque global de taux ;</p> <p>(9) <i>Risque stratégique et risque lié à l'activité</i> – Le risque</p>

Elément	Description de l'Elément	
		<p>stratégique est le risque que des choix stratégiques de la Banque se traduisent par une baisse du cours de son action.</p> <p>Le risque lié à l'activité correspond au risque de perte d'exploitation résultant d'un changement d'environnement économique entraînant une baisse des recettes, conjugué à une élasticité insuffisante des coûts.</p> <p>Ces deux types de risque sont suivis par le Conseil d'administration ;</p> <p>(10) <i>Risque de liquidité</i> – Selon la réglementation, le risque de liquidité est défini comme le risque qu'une banque ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques, dans un délai déterminé et à un coût raisonnable ; et</p> <p>(11) <i>Risque de de souscription d'assurance</i> – Le risque de souscription d'assurance est le risque de perte résultant d'une évolution défavorable de la sinistralité des différents engagements d'assurance. Selon l'activité d'assurance (assurance-vie, prévoyance ou rentes), ce risque peut être statistique, macroéconomique, comportemental, lié à la santé publique ou à la survenance de catastrophes. Le risque de souscription d'assurance n'est pas la composante principale des risques liés à l'assurance-vie où les risques financiers sont prédominants.</p> <p>(a) Des conditions économiques et de marché difficiles ont eu et pourraient continuer à avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et en conséquence sur la situation financière, les résultats opérationnels et le coût du risque de la banque.</p> <p>(b) Du fait du périmètre géographique de ses activités, BNPP pourrait être vulnérable aux contextes ou circonstances politiques, macroéconomiques ou financiers d'une région ou d'un pays.</p> <p>(c) L'accès de BNPP au financement et les coûts de ce financement pourraient être affectés de manière défavorable en cas de résurgence des crises financières, de détérioration des conditions économiques, de dégradation de notation, d'accroissement des spreads de crédit ou d'autres facteurs.</p> <p>(d) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou sur la rentabilité de BNPP.</p>

Elément	Description de l'Elément	
		<p>(e) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents.</p> <p>(f) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur BNPP.</p> <p>(g) Les fluctuations de marché et la volatilité exposent BNPP au risque de pertes substantielles dans le cadre de ses activités de marché et d'investissement.</p> <p>(h) Les revenus de BNPP tirés des activités de courtage et des activités générant des commissions sont potentiellement vulnérables à une baisse des marchés.</p> <p>(i) Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation peut engendrer des pertes significatives.</p> <p>(j) Des mesures législatives et réglementaires prises en réponse à la crise financière mondiale pourraient affecter de manière substantielle BNPP ainsi que l'environnement financier et économique dans lequel elle opère.</p> <p>(k) BNPP est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.</p> <p>(l) En cas de non-conformité avec les lois et règlements applicables, BNPP pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales.</p> <p>(m) Il existe des risques liés à la mise en œuvre des plans stratégiques de BNPP.</p> <p>(n) BNPP pourrait connaître des difficultés relatives à l'intégration des sociétés acquises et pourrait ne pas réaliser les bénéfices attendus de ses acquisitions.</p> <p>(o) Une intensification de la concurrence, par des acteurs bancaires et non bancaires, pourrait peser sur les revenus et la rentabilité de BNPP.</p> <p>(p) Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné pourrait peser sur les résultats et sur la situation financière de BNPP.</p> <p>(q) Les politiques, procédures et méthodes de gestion du risque mises en œuvre par BNPP pourraient l'exposer à des risques non identifiés ou imprévus, susceptibles d'occasionner des pertes</p>

Elément	Description de l'Elément	
		<p>significatives.</p> <p>(r) Les stratégies de couverture mises en place par BNPP n'écartent pas tout risque de perte.</p> <p>(s) Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de BNPP ainsi que de la dette de BNPP pourraient avoir un effet sur son résultat net et sur ses capitaux propres.</p> <p>(t) Le changement attendu des principes comptables relatifs aux instruments financiers pourrait avoir un impact sur le bilan de BNPP ainsi que sur les ratios réglementaires de fonds propres et entraîner des coûts supplémentaires.</p> <p>(u) Tout préjudice porté à la réputation de BNPP pourrait nuire à sa compétitivité.</p> <p>(v) Toute interruption ou défaillance des systèmes informatiques de BNPP, pourrait provoquer des pertes significatives d'informations relatives aux clients, nuire à la réputation de BNPP et provoquer des pertes financières.</p> <p>(w) Des événements externes imprévus pourraient provoquer une interruption des activités de BNPP et entraîner des pertes substantielles ainsi que des coûts supplémentaires.]</p> <p><i>[A insérer si BNPPF est le Garant :</i></p> <p>On trouvera ci-dessous un récapitulatif de certaines considérations supplémentaires d'investissement liées aux activités de BNPPF :</p> <p>Dix principaux risques sont inhérents aux activités de BNPPF :</p> <p>(1) <i>Risque de crédit</i> – le risque de crédit est la probabilité que l'emprunteur de la banque ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et le taux de recouvrement du prêt ou de la créance en cas de défaut sont des éléments essentiels de l'évaluation de la qualité de crédit ;</p> <p>(2) <i>Risque de crédit de la contrepartie</i> – Le risque de crédit de la contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de paiement ou de transactions entre des contreparties. Ces opérations comprennent les contrats financiers bilatéraux, c'est-à-dire de gré à gré (<i>over-the-counter</i> – OTC) qui peuvent exposer BNPPF au risque de défaut de sa contrepartie, ainsi que les contrats compensés auprès d'une chambre de</p>

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		<p>compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions ou portefeuilles concernés ;</p> <p>(3) <i>Titrisation</i> – La Titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :</p> <ul style="list-style-type: none"> <li>• les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;</li> <li>• la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.</li> </ul> <p>Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;</p> <p>(4) <i>Risque de marché</i> – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.</p> <p>Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.</p> <p>Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.</p> <p>Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.</p> <p>L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un</p>

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		<p>instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.</p> <p>Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;</p> <p>(5) <i>Risque opérationnel</i> – Le risque opérationnel est le risque de perte résultant de processus internes défectueux ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.</p> <p>Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.</p> <p>Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (<i>conduct risk</i>), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;</p> <p>(6) <i>Risque de non-conformité et de réputation</i> – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.</p> <p>Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de</p>

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		<p>l'établissement. C'est pour cette raison que BNPPF traite le risque de non-conformité en tant que tel.</p> <p>Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.</p> <p>Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par BNPPF;</p> <p>(7) <i>Risque de concentration</i> – Le risque de concentration et son corollaire, les effets de diversification, sont intégrés au sein de chaque risque notamment en ce qui concerne le risque de crédit, le risque de marché et le risque opérationnel via les paramètres de corrélation pris en compte par les modèles traitant de ces risques.</p> <p>Le risque de concentration est apprécié au niveau du Groupe consolidé et du conglomérat financier qu'il représente ;</p> <p>(8) <i>Risque de taux de portefeuille bancaire</i> – Le risque de taux du portefeuille bancaire est le risque de perte de résultats lié aux décalages de taux, d'échéance et de nature entre les actifs et passifs. Pour les activités bancaires, ce risque s'analyse hors du portefeuille de négociation et recouvre essentiellement ce qui est appelé le risque global de taux ;</p> <p>(9) <i>Risque stratégique et risque lié à l'activité</i> – Le risque stratégique est le risque que des choix stratégiques de BNPPF se traduisent par une baisse du cours de son action.</p> <p>Le risque lié à l'activité correspond au risque de perte d'exploitation résultant d'un changement d'environnement économique entraînant une baisse des recettes, conjugué à une élasticité insuffisante des coûts.</p> <p>Ces deux types de risque sont suivis par le Conseil d'administration ; et</p> <p>(10) <i>Risque de liquidité</i> – Selon la réglementation, le risque de liquidité est défini comme le risque qu'une banque ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques, dans un délai déterminé et à un coût raisonnable.</p> <p>(a) Des conditions macro-économiques et de marché difficiles, y</p>

Elément	Description de l'Elément	
		<p>compris, sans caractère limitatif, les inquiétudes concernant la capacité de certains pays de la zone euro à refinancer leur dette, pourraient dans le futur avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et sur la situation financière, les résultats et le coût du risque de BNPPF.</p> <p>(b) Des mesures législatives et réglementaires prises en réponse à la crise financière mondiale pourraient affecter sensiblement BNPPF ainsi que l'environnement financier et économique dans lequel elle opère.</p> <p>(c) L'accès au financement de BNPPF et les conditions de ce financement pourraient être affectés de manière significative en cas d'aggravation de la crise de la dette souveraine, de détérioration des conditions économiques, de dégradation de notation ou d'autres facteurs.</p> <p>(d) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents.</p> <p>(e) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur BNPPF.</p> <p>(f) Les fluctuations des marchés et la volatilité exposent BNPPF à des pertes substantielles sur ses activités de trading et d'investissement pour compte propre.</p> <p>(g) Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné peut peser sur les résultats et la situation financière de BNPPF.</p> <p>(h) Les revenus tirés par BNPPF des activités de courtage et des activités générant des commissions et autres rémunérations sont potentiellement vulnérables à une baisse des marchés.</p> <p>(i) Les stratégies de couverture mises en place par BNPPF n'écartent pas tout risque de perte.</p> <p>(j) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou la rentabilité de BNPPF.</p> <p>(k) Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation pourrait engendrer des pertes significatives.</p> <p>(l) BNPPF est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.</p>

Elément	Description de l'Elément	
		<p>(m) Les politiques, procédures et méthodes de gestion du risque de BNPPF peuvent exposer l'entreprise à des risques non identifiés imprévus ou incorrectement quantifiés, susceptibles de se traduire par des pertes substantielles.</p> <p>(n) Bien que chaque métier de BNPPF assure la gestion de ses risques opérationnels, ces risques restent inhérents à tous les métiers de BNPPF.</p> <p>(o) BNPPF est fortement exposé au risque de contrepartie et exposé à des risques systémiques.</p> <p>(p) Tout préjudice porté à la réputation de BNPPF pourrait nuire à sa compétitivité.</p> <p>(q) Toute interruption ou intrusion dans les systèmes informatiques de BNPPF pourrait entraîner une perte d'activité et d'autres pertes.</p> <p>(r) Des litiges ou autres procédures ou actions judiciaires pourraient avoir un impact négatif sur les activités, la situation financière et les résultats d'exploitation de BNPPF.</p> <p>(s) La comptabilisation à la juste valeur et l'utilisation d'estimations sont des facteurs d'incertitude.</p> <p>(t) Toute détérioration de la notation de crédit de BNP Paribas ou de la qualité de sa dette serait de nature à affecter BNPPF de manière défavorable.</p> <p>(u) Des événements externes imprévus peuvent provoquer une interruption des activités de BNPPF et entraîner des pertes substantielles ainsi que des coûts supplémentaires.</p> <p>(v) En cas de non-conformité avec les lois et règlements applicables, BNPPF pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales, et pourrait subir des pertes à la suite d'un contentieux privé, en lien ou non avec ces sanctions.</p> <p>(w) Une intensification de la concurrence dans l'industrie des services financiers pourrait peser sur les revenus et la rentabilité de BNPPF.</p> <p>(x) Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de BNPPF ainsi que de la dette de BNPPF pourraient avoir un effet sur son résultat net et sur ses capitaux propres.</p> <p>(y) Le changement attendu des principes comptables relatifs aux</p>

Elément	Description de l'Elément	
		<p>instruments financiers pourrait avoir un impact sur le bilan de BNPPF ainsi que sur les ratios réglementaires de fonds propres et entraîner des coûts supplémentaires.</p> <p>(z) Il existe des risques liés à la mise en œuvre des plans stratégiques du Groupe BNPP.]</p>
<b>D.3</b>	Principaux risques propres aux Titres	<p>En plus des risques (y compris le risque de défaut) qui pourraient affecter la capacité de l'Emetteur à remplir ses obligations au regard des Titres ou la capacité du Garant à remplir ses obligations au titre de la Garantie, il existe certains facteurs qui sont essentiels pour déterminer les risques liés aux Titres émis en vertu de ce Prospectus de Base, ce qui inclus :</p> <p><i>[Risques de marché :</i></p> <p>[Les Titres sont des obligations non assorties de sûretés ;]</p> <p>[Les Titres incluant un effet de levier impliquent un niveau de risque plus élevé et, en cas de pertes sur ces Titres, ces pertes peuvent être supérieures à celles d'un titre similaire qui n'inclut aucun effet de levier ;]</p> <p>[Le cours de négociation des Titres est affecté par plusieurs facteurs, y compris, mais sans caractère limitatif, (concernant les Titres liés à un Sous-Jacent de Référence) le cours du ou des Sous-Jacent(s) de Référence, la durée restant à courir jusqu'à l'expiration ou jusqu'au remboursement et la volatilité, et ces facteurs signifient que le cours de négociation des Titres peut être inférieur au Montant de Remboursement Final, ou à la valeur des Droits à Règlement Physique ;]</p> <p>[Dans de nombreux cas, l'exposition au Sous-Jacent de Référence découlera du fait que l'Emetteur concerné conclue des accords de couverture et, en ce qui concerne les Titres indexés sur un Sous-Jacent de Référence, les investisseurs potentiels sont exposés à la performance de ces accords de couverture et aux événements pouvant affecter ces accords, et, par conséquent, la survenance de l'un ou l'autre de ces événements peut affecter la valeur des Titres ;]</p> <p>[La garantie associée à une ou plusieurs souche(s) de Titres Assortis de Sûretés peut être insuffisante à retirer le risque de crédit d'un Titulaire, sur l'Emetteur ;]</p> <p>[Les Titulaires seront exposés au risque de crédit concernant, entre autres, la Contrepartie du Swap et à l'émetteur des Actifs Donnés en Garantie de Référence. Les investisseurs potentiels sont exposés à la performance de ces entités et des contrats de couverture y afférents et aux événements qui pourraient affecter ces entités et les contrats de couverture y afférents. Par conséquent, la réalisation de l'un quelconque de ces événements pourrait affecter la valeur des Titres ;]</p>

Elément	Description de l'Elément	
		<p>[Il existe des risques spécifiques liés à des Titres indexés sur un Sous-Jacent de Référence provenant d'un marché émergent ou en développement (y compris, sans caractère limitatif, les risques liés à l'incertitude politique et économique, des politiques gouvernementales défavorables, des restrictions en matière d'investissement étranger et de convertibilité monétaire, des fluctuations des taux de change, le risque lié à des niveaux d'information et de réglementation plus faibles, des incertitudes à propos du statut, de l'interprétation et de l'application des lois, des frais de garde accrus, des difficultés administratives et une plus forte probabilité de survenance d'un cas de perturbation ou d'ajustement). Les Titres négociés sur des marchés émergents ou en voie de développement tendent à être moins liquides et leurs cours plus volatils. Il existe également des risques spécifiques liés aux titres dynamiques, qui sont intrinsèquement plus complexes, ce qui rend leur évaluation difficile en termes de risque à la date d'achat et après.]]</p> <p><i>[Risques liés aux Titulaires]</i></p> <p>[Les Titres peuvent être soumis à un montant de négociation minimum ; en conséquence, si un Titulaire détient, à la suite du transfert de tout Titre, un montant de Titres inférieur au montant de négociation minimum ainsi spécifié, ce Titulaire ne sera pas autorisé à transférer ses Titres restants avant l'expiration ou le remboursement, selon le cas, sans acheter préalablement un nombre de Titres additionnels suffisant pour détenir le montant de négociation minimum ;]</p> <p>[Les clauses relatives aux assemblées générales des Titulaires permettent à des majorités définies de lier tous les Titulaires ;]</p> <p>[Dans certaines circonstances, les investisseurs risquent de perdre tout leur investissement ;]]</p> <p><i>[Risques liés à l'Emetteur/au Garant]</i></p> <p>[Si les Conditions Définitives en disposent ainsi, l'Emetteur peut choisir de modifier le règlement des Titres ;]</p> <p>[Une réduction de la notation (éventuelle) accordée aux titres d'emprunt en circulation de l'Emetteur [ou du Garant] par une agence de notation de crédit pourrait entraîner une réduction de la valeur de négociation des Titres ;]</p> <p>[Certains conflits d'intérêts peuvent surgir (voir Elément E.4 ci-dessous) ;]</p> <p>[Dans certaines circonstances (incluant, sans limitation, en conséquence de restrictions sur la convertibilité et de restrictions de transferts) il peut ne pas être possible pour l'Emetteur d'effectuer les paiements relatifs aux Titres dans la Devise de Règlement spécifiée dans les Conditions Définitives applicables. Dans ces circonstances, le paiement du principal et/ou des intérêts peut intervenir à un moment différent et être effectué en Dollars américains et la valeur de marché de ces Titres peut être volatile ;]]</p>

Elément	Description de l'Elément	
		<p><i>[Risques juridiques</i></p> <p>[La survenance d'un cas de perturbation additionnel ou d'un cas de perturbation additionnel optionnel peut conduire à un ajustement des Titres, ou à un remboursement anticipé ou peut avoir pour conséquence que le montant payable à la date de remboursement prévue soit différent de celui qui devrait être payé à ladite date de remboursement prévue, de telle sorte que la survenance d'un cas de perturbation additionnel et/ou d'un cas de perturbation additionnel optionnel peut avoir un effet défavorable sur la valeur ou la liquidité des Titres ;]</p> <p>[Dans certaines circonstances, le règlement peut être reporté ou effectué en Dollars américains si la Devise de Règlement spécifiée dans les Conditions Définitives applicables n'est pas librement transférable, convertible ou livrable ;]</p> <p>[Des frais et impôts peuvent être payables sur les Titres ;]</p> <p>[Les Titres peuvent être remboursés en cas d'illégalité ou autre impossibilité pratique, et ce remboursement peut avoir pour conséquence qu'un investisseur ne réalise aucun retour sur son investissement dans les Titres ;]</p> <p>[Toute décision judiciaire, tout changement de la pratique administrative ou tout changement de la loi anglaise ou de la loi française, selon le cas, intervenant après la date du Prospectus de Base, pourrait avoir un impact défavorable significatif sur la valeur des Titres ainsi affectés ;]</p> <p>[Au début de la période d'offre, [le prix d'émission][le Taux d'Intérêt fixe,] [le Taux d'Intérêt Minimum] [le Taux d'Intérêt Maximum] [la Marge] [le Gearing] [le Gearing Up] [le Taux FR] [Taux AER] [Coupon Bonus] [Up Cap Percentage] [Pourcentage Constant [1] [2] [3] [4]] [le Niveau Knock-in] [le Niveau Knock-out] ne ser[a][ont] pas connu[e][s] mais les Conditions Définitives indiqueront une fourchette indicative. Les investisseurs potentiels doivent prendre leur décision d'investissement dans les Titres sur la base de cette fourchette avant que [le prix d'émission][le Taux d'Intérêt] [le Taux d'Intérêt Minimum] [le Taux d'Intérêt Maximum] [la Marge] [le Gearing] [le Gearing Up] [le Taux FR] [Taux AER] [Coupon Bonus] [Up Cap Percentage] [Pourcentage Constant [1] [2] [3] [4]] [le Niveau Knock-in] [le Niveau Knock-out] qui s'appliquer[a][ont] aux Titres leur soi[en]t notifié[e][s]. La notification des taux, niveaux ou pourcentages définitifs, selon le cas, sera publiée de la même manière que les Conditions Définitives.]]</p> <p><i>[Risques liés au marché secondaire</i></p> <p>[Le seul moyen permettant à un Titulaire de réaliser la valeur d'un Titre avant sa Date d'Echéance consiste à le vendre à son cours de marché au moment considéré sur un marché secondaire disponible, et il peut n'y avoir aucun marché secondaire pour les Titres (ce qui pourrait signifier qu'un investisseur</p>

Elément	Description de l'Elément	
		<p>doit attendre jusqu'à l'exercice ou jusqu'au remboursement des Titres pour réaliser une valeur supérieure à sa valeur de négociation) ;]</p> <p>[Un marché secondaire actif ne peut jamais être établi ou peut être non liquide, ce qui peut nuire à la valeur à laquelle un investisseur pourrait vendre ses Titres (les investisseurs pourraient subir une perte partielle ou totale du montant de leur investissement) ;]</p> <p>[Pour certaines émissions de Titres, BNP Paribas Arbitrage S.N.C. est tenue d'agir comme teneur de marché. Dans ces circonstances, BNP Paribas Arbitrage S.N.C. s'efforcera de maintenir un marché secondaire pendant toute la durée de vie des Titres, sous réserve des conditions normales de marché et soumettra au marché des cours acheteur et des cours vendeur. L'écart (spread) entre le cours acheteur et le cours vendeur peut évoluer durant la durée de vie des Titres. Néanmoins, durant certaines périodes il peut être difficile, irréalisable ou impossible pour BNP Paribas Arbitrage S.N.C. de coter des prix "bid" et "offer" et en conséquence il peut être difficile, irréalisable ou impossible d'acheter ou vendre ces Titres durant ces périodes. Cela peut être dû, par exemple, à des conditions défavorables sur le marché, à des prix volatiles ou à des fluctuations importantes du prix, à la fermeture d'une place financière importante ou à des problèmes techniques, tels que la défaillance ou le dysfonctionnement d'un système informatique ou celui d'un réseau internet ;]]</p> <p><i>[Risques liés aux Obligations à Double Devise</i></p> <p>[Il existe des risques spécifiques applicables aux Obligations à Double Devise, y compris, sans limitation, l'exposition aux fluctuations des taux de change qui peuvent entraîner des fluctuations significatives de la valeur des Obligations, les paiements [des intérêts] [et] [/] [ou] [du] [principal], [et/ou de la prime] peuvent intervenir à un autre moment ou dans une autre devise que celui (celle) prévu(e), [les investisseurs ne bénéficieront pas de l'évolution favorable des taux de change pendant la durée des Obligations à Double Devise], le prix de marché des Obligations peut être volatil, les Titulaires peuvent avoir besoin de fournir des informations supplémentaires pour recevoir des paiements dans une devise et la non transmission de ces informations dans les délais impartis pourrait entraîner des retards de paiement ou, dans certaines circonstances, décharger l'Emetteur de ses obligations de paiement, le règlement dans la Devise de Règlement peut entraîner un rendement plus faible que si le règlement avait été fait dans la Devise Spécifiée en raison du risque sur de taux de change, et les Titulaires peuvent, dans des circonstances selon lesquelles il n'est pas possible d'effectuer les paiements [des intérêts] [et] [/] [ou] [du] [principal] dans la Devise de Règlement, [ne recevoir aucun intérêt] [et risquent de] perdre la totalité ou une partie significative de leur capital.]]</p> <p><i>[Risques liés aux Sous-Jacents de Référence</i></p>

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

Elément	Description de l'Elément	
		<p>devise et un cas de dérèglement du marché]</p> <p>[A insérer dans le cas de Titres Indexés sur Fonds : l'exposition à une action ou part de fonds, des risques similaires à ceux d'un investissement direct dans un fonds, le fait que le montant payable sur des Titres Indexés sur Fonds peut être inférieur au montant payable en cas d'investissement direct dans le ou les Fonds concerné(s), des événements exceptionnels concernant le fonds qui peuvent avoir un effet défavorable sur la valeur ou la liquidité des Titres ]</p> <p>[A insérer dans le cas de Titres Indexés sur Contrats à Terme : l'exposition à un contrat à terme, des risques de marché similaires à ceux d'un investissement direct dans un contrat à terme, un cas de dérèglement du marché ou le défaut d'ouverture d'une bourse, qui peuvent avoir un effet défavorable sur la valeur et la liquidité des Titres]</p> <p>[A insérer dans le cas de Titres Indexés sur un Evénement de Crédit : l'exposition au risque de crédit d'une ou plusieurs entités de référence]</p> <p>[A insérer dans le cas de Titres à Taux d'Intérêt Indexé sur Sous-Jacent : l'exposition à un intérêt sous-jacent ou taux CMS]</p> <p>[A insérer dans le cas de Titres Indexés sur Titres de Créance : l'exposition à un titre de créance, des risques de marché similaires à ceux d'un investissement direct en titre de créance, et un cas de dérèglement du marché ]</p> <p>[A insérer dans le cas de Titres Indexés sur Titres de Créance ou de Titres Indexés sur Indices lorsque Valorisation du Prix des Instruments à Terme est applicable : l'exposition aux contrats à terme ou contrats d'options liés [Insérer dans le cas de Titres Indexés sur Titres de Créance : à des instruments de dettes synthétiques][Insérer dans le cas de Titres Indexés sur Indices : un indice], des risques de marché similaires à un investissement direct dans de tels contrats à terme ou contrats d'options et des cas de dérèglement de marché][et le fait que l'Emetteur ne fournira pas d'informations post-émission sur le Sous-Jacent de Référence]</p> <p>[Risques liés à des catégories spécifiques de produits</p> <p>[les risques suivants sont liés aux Produits SPS</p> <p>[Produits à pourcentage fixe</p> <p>Les investisseurs reçoivent un retour fixe sur ces Titres. [Le paiement peut être utilisé en conjonction avec au moins un autre paiement afin d'assurer aux investisseurs une garantie partielle ou total du capital investi.]]</p> <p>[Produits Reverse Convertibles</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la</p>

Elément	Description de l'Elément	
		<p>performance du ou des Sous-Jacents de Référence, et de la survenance d'un événement déclenchant une barrière activante.]</p> <p>[Produits Vanilla</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement dépend de la performance du ou des Sous-Jacents de Référence [et de l'application du mécanisme de barrière [activante]][désactivante]].]</p> <p>[Produits Asian</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence qui est déterminé par application d'une méthode utilisant les moyennes. [Le rendement dépendra également de l'application des mécanismes de [plafond][lock-in].]</p> <p>[Produits Auto-callable</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence [et de l'application des mécanismes de barrière [activante]][désactivante]. Les Produits Auto-callable comprennent des mécanismes de remboursement anticipé automatique. [Si un événement de remboursement anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.]]</p> <p>[Produits indexés</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence [et de l'application des mécanismes [de barrière activante]][de barrière désactivante]][de remboursement anticipé automatique]]. [Si un événement de remboursement anticipé automatique se réalise, les investisseurs peuvent être exposés à une perte partielle de leur investissement.]]</p> <p>[Produits Ratchet</p> <p>Les investisseurs peuvent être exposés à une perte partielle ou totale de leur investissement. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence et, est calculé sur la base de la somme des rendements déterminée par l'application d'une formule spécifique [(qui peut être limitée par [un plafond][et][un plancher])].]</p>

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

Elément	Description de l'Elément	
		<p>des mécanismes [de plancher] [et] [de plafond] [et] [de barrière activante] [et] [de barrière désactivante] ).]</p> <p>[Produits Inflation</p> <p>Les Produits Inflation ont un capital protégé. Le rendement de ces Titres dépend de la performance du ou des Sous-Jacents de Référence.]]</p> <p><i>[Résumer tous les risques supplémentaires visés dans la section Facteurs de Risque du Prospectus de Base entraînés par une émission spécifique de Titres.]]</i></p>
<b>D.6</b>	Avertissement sur les Risques	<p>[Voir Elément D.3 ci-dessus.]</p> <p>En cas d'insolvabilité de l'Emetteur ou si ce dernier est autrement incapable de rembourser les Titres ou n'est pas disposé à les rembourser à leur échéance, un investisseur peut perdre tout ou partie de son investissement dans les Titres.</p> <p><i>[Dans le cas de Titres garantis, insérer :</i></p> <p>Si le Garant est dans l'incapacité de remplir ses engagements en vertu de la Garantie à leur échéance, ou n'est pas disposé à les remplir, un investisseur peut perdre tout ou partie de son investissement dans les Titres.]</p> <p><i>[Dans le cas de Titres qui ne sont pas à capital protégé, insérer :</i></p> <p>En outre, les investisseurs peuvent perdre tout ou partie de leur investissement dans les Titres en conséquence de l'application des modalités des Titres.]</p>

### Section E - Offre

Elément	Description de l'Elément	
<b>E.2b</b>	Raisons de l'offre et utilisation du produit de celle-ci	<p><i>[A insérer dans le cas de Titres émis par BNPP B.V. (autres que les Titres Reconditionnés de Valeur Nominale) :</i></p> <p>Les produits nets de l'émission des Titres seront affectés aux besoins généraux de financement de l'Emetteur. Ces produits pourront être utilisés pour maintenir des positions sur des contrats d'options ou des contrats à terme ou d'autres instruments de couverture.]</p> <p><i>[A insérer dans le cas de Titres Reconditionnés de Valeur Nominale émis par BNPP B.V.</i></p> <p>Les produits nets de l'émission des Titres seront utilisés par BNPP B.V. pour conclure et/ou effectuer des paiements au titre d'un Contrat de Swap ou d'autres instruments de couverture.]</p>

Elément	Description de l'Elément	
		<p>[A insérer dans le cas de Titres émis par BP2F :</p> <p>Les produits nets de chaque émission de Titres par BP2F seront affectés par BP2F pour ses besoins généraux de financement.]</p> <p>[indiquer une autre raison].</p>
<b>E.3</b>	Modalités et conditions de l'offre	<p>[Cette émission de Titres est offerte dans le cadre d'une Offre Non-exemptée en [préciser le ou les pays particuliers] [Non applicable – les Titres n'ont pas été offerts au public sous forme d'un Offre Non-exemptée.]</p> <p>Le prix d'émission des Titres est fixé à [●]% de leur montant nominal [qui sera payable en [préciser la Devise de Règlement] calculé par référence au [préciser le taux de change (y compris tout taux de change en vertu duquel le taux de change concerné est dérivé), y compris les sources (le cas échéant) sur lesquelles ce taux de change est déterminé et la durée/date de détermination de ces taux de change.].</p>
<b>E.4</b>	Intérêt de personnes physiques et morales pouvant influencer sur l'émission/l'offre	<p>[Les Agents Placeurs percevront des commissions cumulées égales à [●] % du [montant nominal] [prix d'émission] des Titres.] [Tout Agent Placeur et ses affiliés peuvent aussi avoir été impliqué, et pourrait dans le futur être impliqué, dans des transactions de banque d'investissement ou commerciale avec, ou lui fournir d'autres services à, l'Emetteur [et le Garant] et [ses/leurs] affiliés dans le cours normal de leurs activités.]</p> <p>[Exception faite de ce qui est mentionné ci-dessus, [et exception faite de [spécifier tout autre intérêt important],] aucune personne intervenant dans l'émission des Titres ne détient, à la connaissance de l'Emetteur, un intérêt pouvant influencer sensiblement sur l'offre, y compris des intérêts conflictuels.]</p>
<b>E.7</b>	Dépenses facturées à l'investisseur par l'Emetteur	Il n'existe pas de dépenses facturées à l'investisseur par l'Emetteur.

## **RISK FACTORS**

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

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

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

See Chapter 5 ("Risks and Capital Adequacy", except pages 249 to 269) of the BNPP 2015 Registration Document (as defined below), which is incorporated by reference in this document.

### **Risks related to the macroeconomic and market environment**

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

BNPP's businesses are highly sensitive to changes in financial markets and economic conditions globally and especially in Europe. In recent years, BNPP has been, and may again in the future be, confronted with a significant deterioration of market and economic conditions resulting, among other things, from crises affecting sovereign debt, the capital markets, credit or liquidity, regional or global recessions, sharp fluctuations in commodity prices, currency exchange rates or interest rates, volatility in prices of financial derivatives, inflation or deflation, restructurings or defaults, corporate or sovereign debt rating downgrades or adverse political and geopolitical events (such as natural disasters, pandemics, societal unrest, geopolitical tensions, acts of terrorism and military conflicts). Such disruptions, which may develop quickly and hence not be fully hedged, could affect the operating environment for financial institutions for short or extended periods and have a material adverse effect on BNPP's financial condition, results of operations or cost of risk. In 2016, the macroeconomic environment could be subject to various specific risks, including geopolitical tensions, financial market volatility, slowdowns in China and emerging markets, weak growth in the Euro-zone, decreasing prices of commodities and the gradual unwinding of exceptionally accommodating monetary policies in the United States. Measures taken or that may be taken by central banks to stimulate growth and prevent deflation, including the "quantitative easing" measures announced by the European Central Bank (the "ECB") in January and December 2015, may prove to be insufficient or could have negative effects on the banking industry possibly bringing margin pressure but not necessarily lending volume growth.

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

If economic conditions generally or in Europe in particular were to deteriorate due among other things to concerns over the European economy (in turn triggered by the heightened risk of or even the occurrence of a sovereign default, the failure of a significant financial institution or the exit of a country from the Euro-zone), a continued decline in oil and commodity prices, a continued or increased slowdown of economic growth in emerging countries and China in particular, terrorist attacks or political instability, the resulting market disruptions could have a significant adverse impact on the credit quality of BNPP's customers and financial institution counterparties, on market parameters such as interest rates, foreign exchange rates and stock market indices, and on BNPP's results of operations, liquidity, ability to raise financing on acceptable terms and financial condition.

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

BNPP is exposed to country risk, meaning the risk that economic, financial, political or social conditions of a foreign country, especially a country in which it operates, will affect its financial interests. BNPP monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. Moreover, factors specific to a particular country or region in which BNPP operates could create difficult operating conditions, leading to operating losses or asset impairments.

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

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

BNPP's cost of funding may also be influenced by the credit rating of France or the credit rating of BNPP's long-term debt, both of which have been subject to downgrades in recent years. Further downgrades in BNPP's or France's credit ratings may increase BNPP's borrowing cost.

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

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

The amount of net interest income earned by BNPP during any given period significantly affects its overall revenues and profitability for that period. Interest rates are affected by many factors beyond BNPP's control, such as the level of inflation and the monetary policies of states, and government decisions relating to regulated savings rates (for example in France the Savings Account A ("*Livret A*") or Housing Savings Plan ("*Plan d'Epargne Logement*"). Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates

paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in BNPP's net interest income from its lending activities. In addition, maturity mismatches and interest rates rises relating to BNPP's short-term financing may adversely affect BNPP's profitability.

*The prolonged low interest rate environment carries inherent systemic risks*

The prolonged period of low interest rates since the 2008/2009 financial crisis may have contributed to, and may continue to contribute to, excessive risk-taking by financial market participants such as lengthening maturities of financings and assets held, more lenient lending standards and increased leveraged lending. Certain of the market participants that may have taken or may take additional or excessive risk are of systemic importance, and any unwinding of their positions during periods of market turbulence or stress (and hence reduced liquidity) could have a destabilising effect on markets and could lead BNPP to record operating losses or asset impairments.

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

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

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

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

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

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

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

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

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

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

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

## **Regulatory Risks**

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

In the past few years, laws and regulations have been enacted, adopted or recently proposed, in particular in France, Europe and the United States, in particular, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the new measures has changed substantially the environment in which BNPP and other financial institutions operate. The new measures that have been or may be proposed and adopted include more stringent capital and liquidity requirements (particularly for large global banking groups such as BNPP), taxes on financial transactions, restrictions and increased taxes on employee compensation over specified levels, restrictions on certain types of activities considered as speculative undertaken by commercial banks that will be prohibited or need to be ring-fenced in subsidiaries (particularly proprietary trading), restrictions or prohibitions on certain types of financial products or activities, enhanced recovery and resolution regimes, revised risk-weighting methodologies, increased internal control and reporting requirements with respect to certain activities, more stringent governance and conduct of business rules, more extensive market abuse regulations, measures to improve the transparency and efficiency of

financial markets and in particular to regulate high frequency trading, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over-the-counter derivative transactions (including through posting of collateral in respect of non-centrally cleared derivatives), and the creation of new and strengthened regulatory bodies. Many of these measures have been adopted and are already applicable to BNPP. The principal such measures are summarised below.

In 2013 and 2014, France made significant changes to its legal and regulatory framework applicable to banking institutions. The French banking law of 26 July 2013 on the separation and regulation of banking activities and the related implementing decrees and orders specified the required separation between financing operations activities and so-called "speculative" operations that must henceforth (as from 1 July 2015) be conducted by ring-fenced subsidiaries subject to specific capital and liquidity requirements on a stand-alone basis. This banking law also introduced a mechanism for preventing and resolving banking crises, which is supervised by the French banking regulator ("*Autorité de Contrôle Prudentiel et de Résolution*", "**ACPR**") with expanded powers. In the event of a failure, the law provides for mechanisms such as the power to require banks to adopt structural changes, issue new securities, cancel outstanding equity or subordinated debt securities and convert subordinated debt into equity, and to require the intervention of the French Deposit Guarantee and Resolution Fund ("*Fonds de Garantie des Dépôts et de Résolution*"). The Ordinance of 20 February 2014 provided in particular for the strengthening of the governance rules within banking institutions, a reinforced and harmonised at the EU level sanctions regime, an extended scope of prudential surveillance with in particular additional prudential requirements, a harmonisation of the rules relating to the approval of credit institutions within the European Union, and an update of the rules relating to the consolidated surveillance and the exchange of information.

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

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

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

exposure to losses and provides for the implementation of resolution funds at the national levels. Under the BRRD and the Ordinance of 20 August 2015, the ACPR or the Single Resolution Board (the "**SRB**"), which was established by Regulation of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("**SRM**") and a Single Resolution Fund ("**SRF**"), may commence resolution proceedings in respect of a banking institution, such as BNPP, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalise or restore the viability of the institution. Resolution tools are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of capital instruments (such as subordinated bonds) qualifying as additional tier 1 and tier 2 instruments, and finally by creditors in accordance with the order of their claims in normal insolvency proceedings. Certain powers, including the power to write-down capital instruments (including subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings. The implementation of these tools and powers may result in significant structural changes to the relevant financial institutions (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write-down of claims of their shareholders and creditors (including subordinated and senior creditors).

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

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

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

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

Bank regulation in the United States has been substantially changed and expanded in the wake of the financial crisis, including most recently as follows. The U.S. Federal Reserve's final rule imposing enhanced prudential standards on the U.S. operations of large foreign banks will require BNPP to create a new intermediate holding company ("**IHC**") for its U.S. subsidiaries by 1 July 2016, which will be required to comply with risk-based and leverage capital requirements, liquidity requirements, supervisory stress testing and capital planning requirements as well as other

prudential requirements on a stand-alone basis. Under proposals that remain under consideration, the IHC and the combined U.S. operations of BNPP may become subject to limits on credit exposures to any single counterparty, and the combined U.S. operations of BNPP may also become subject to an early remediation regime which could be triggered by risk-based capital, leverage, stress tests, liquidity, risk management and market indicators. The Federal Reserve has also indicated that it is considering future rulemakings that could apply the U.S. rules implementing the Basel III liquidity coverage ratio to the U.S. operations of certain large foreign banking organizations. On 30 November 2015, the U.S. Federal Reserve published proposed rules that would implement in the United States the Financial Stability Board's standards for a TLAC framework. The proposed rules would require, among other things, BNPP's intermediate U.S. holding company to maintain minimum amounts of "internal" TLAC, which would include minimum levels of tier 1 capital and long-term debt satisfying certain eligibility criteria and a related TLAC buffer commencing 1 January 2019. BNPP's intermediate U.S. holding company would be required to issue all such TLAC instruments to a foreign parent entity (a non-U.S. entity that controls the intermediate holding company). The proposed rules would also impose limitations on the types of financial transactions that BNPP's intermediate holding company could engage in. Finally, the "Volcker Rule", adopted by the U.S. regulatory authorities in December 2013, places certain restrictions on the ability of U.S. and non-U.S. banking entities, including BNPP and its affiliates, to engage in proprietary trading and to sponsor or invest in private equity and hedge funds. BNPP was generally required to come into compliance with the Volcker Rule by July 2015, although the U.S. Federal Reserve has indicated that the conformance deadline for pre-2014 "legacy" investments in and relationships with private equity funds and hedge funds will be extended until 21 July 2017. The Volcker Rule's implementing regulations are highly complex and may be subject to further regulatory interpretation and guidance, and its full impact will not be known with certainty for some time. U.S. regulators have also recently adopted or proposed new rules regulating OTC derivatives activities under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In late 2015, the U.S. Federal Reserve and other U.S. banking regulators finalized margin requirements applicable to uncleared swaps and security-based swaps entered into by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants that are regulated by one of the U.S. banking regulators, including BNPP. These margin requirements, which are scheduled to come into effect in phases beginning in September 2016, will require BNPP to post and collect additional, high-quality collateral for certain transactions, which will increase the costs of uncleared swaps and security-based swaps offered by BNPP to its customers who are "U.S. persons" as defined under the rules which apply globally. The U.S. Securities and Exchange Commission also finalized rules in 2015 requiring the registration of security-based swap dealers and major security-based swap participants as well as obligations relating to transparency and mandatory reporting of security-based swap transactions. Further rules and regulations are expected in 2016 to complete this regulatory framework. The scope and timing for the implementation of these requirements, and therefore their impact on BNPP's swap business, is difficult to predict at this stage.

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

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

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

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

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

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

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

In this respect, on 30 June 2014 BNPP entered into a series of agreements with, and was the subject of several orders issued by, U.S. federal and New York state government agencies and regulatory authorities including the U.S. Department of Justice, the New York County District Attorney's Office, the U.S. Attorney's Office for the Southern District of New York, the Board of Governors of the Federal Reserve System, the Office of Foreign Assets Control of the U.S. Department of the Treasury and the New York State Department of Financial Services, in settlement of

investigations into violations of U.S. laws and regulations regarding economic sanctions. The fines and penalties imposed on BNPP as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to \$8.97 billion (€6.6 billion), guilty pleas by BNP Paribas S.A., the parent company of the BNP Paribas group, to charges of having violated U.S. federal criminal law (conspiracy to violate the Trading with the Enemy Act and the International Emergency Economic Powers Act) and New York State criminal law (conspiracy and falsifying business records), and the suspension of the New York branch of BNP Paribas for (a) a one-year period (2015) of USD direct clearing focused mainly on the Oil & Gas Energy and Commodity Finance business line in certain locations and (b) a two-year period of U.S. dollar clearing as a correspondent bank for unaffiliated third party banks in New York and London. Following this settlement, BNPP remains subject to increased scrutiny by regulatory authorities (including via the presence within BNPP of an independent consultant) who are monitoring its compliance with a remediation plan agreed with them.

BNPP is currently involved in various litigations and investigations as summarized in Note 8.b "Contingent liabilities: legal proceedings and arbitration" to its 2015 consolidated financial statements. It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on BNPP's operating results for any particular period.

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

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

BNPP has announced a certain number of strategic objectives, in particular in a strategic plan for the 2014-2016 period presented in March 2014 and a transformation plan for CIB for the 2016-2019 period presented in February 2016. These plans contemplate a number of initiatives, including simplifying BNPP's organisation and operations, continuing to improve operating efficiency, adapting certain businesses to their economic, regulatory and technological environment and implementing various business development initiatives.

The plans include a number of financial targets and objectives relating to net banking income, operating costs, net income, capital adequacy ratios and return on equity, among other things. These financial targets and objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions. On 5 February 2015 and 5 February 2016, BNPP provided updates regarding the implementation of the 2014-2016 strategic plan and presented the transformation plan of CIB 2016-2019 on 5 February 2016.

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

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

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

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

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

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

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

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

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

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

BNPP has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, BNPP's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that BNPP may have failed to identify or anticipate. BNPP's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of BNPP's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. BNPP applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process BNPP uses to estimate losses inherent in its credit exposure or

estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, e.g., if BNPP does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit BNPP's ability to manage its risks. BNPP's losses could therefore be significantly greater than the historical measures indicate. In addition, BNPP's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

*BNPP's hedging strategies may not prevent losses*

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

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

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

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

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

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

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to BNPP's ability to attract and retain customers. BNPP's reputation could be harmed if it fails to adequately promote and market its products and services. BNPP's reputation could also be damaged if, as it increases its client base and the scale of its businesses, BNPP's comprehensive procedures and controls dealing with conflicts of

interest fail, or appear to fail, to address conflicts of interest properly. At the same time, BNPP's reputation could be damaged by employee misconduct, fraud or misconduct by market participants to which BNPP is exposed, a decline in, a restatement of, or corrections to its financial results, as well as any adverse legal or regulatory action such as the settlement BNPP entered into in with the U.S. authorities for violations of U.S. laws and regulations regarding economic sanctions. Such risks to reputation have recently increased as a result of the growing use of social networks within the economic sphere. The loss of business that could result from damage to BNPP's reputation could have an adverse effect on its results of operations and financial position.

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

As with most other banks, BNPP relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services (as illustrated by the launch of Hello bank! in 2014), and the development of cloud computing. Any failure or interruption or breach in security of these systems could result in failures or interruptions in BNPP's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. BNPP cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorised access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognised until launched against a target, BNPP may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures. Any failures of or interruptions in BNPP's information systems and any subsequent disclosure of confidential information related to any client, counterpart or employee of BNPP (or any other person) or any intrusion or attack against BNPP's communication system could have an adverse effect on BNPP's reputation, financial condition and results of operations.

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

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

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

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

#### *Dependency Risk*

BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities, and, in the case of Nominal Value Repack Securities, Reference Collateral Assets and/or other agreements, such as repurchase agreements as appropriate. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Group entities to perform their obligations under such hedging agreements, and, in the case of Nominal Value Repack Securities, the ability of the

issuer(s) of, or obligors in respect of, the Reference Collateral Assets to pay amounts due under such Reference Collateral Assets and/or its counterparties under other agreements to perform their obligations under such agreements.

#### *Market risk*

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

#### *Credit risk*

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

#### *Liquidity risk*

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

### **Risk Factors Relating to BP2F**

#### *Investment considerations relating to the business of BP2F*

The primary credit protection for securities issued by BP2F will derive from the guarantees given by BNPPF. The principal activity of BP2F is to act as a financing vehicle for BNPPF and the companies controlled by BNPPF by issuing bonds, notes or other securities, by performing any refinancing operations with or without a guarantee and in general having recourse to any sources of finance. Securities issued by BP2F have the benefit of guarantees issued by BNPPF so the primary credit protection for investors will derive from these guarantees.

When BP2F issues structured securities, it hedges the structured components with hedging counterparties such as BNPPF, BNP Paribas (London or/and Paris) or BNPP B.V. BP2F's ability to perform its obligations in respect of the structured return may depend on the ability of these hedging counterparties to meet their obligations under the hedge.

BP2F's ability to perform its obligations in respect of securities may depend on the operating performance of those companies to which the proceeds of the securities are lent. BP2F will lend the proceeds from the securities to certain of BNP Paribas Fortis group's operating companies. Investors are, therefore, also exposed to the operating performance of the operating companies to which BP2F may lend proceeds, whose performance could change over time.

The financial condition of the operating companies to which the proceeds of the securities are lent may deteriorate and this may affect BP2F's ability to perform its obligations under the securities as BP2F's ability to meet its obligations will be reliant on the financial condition of the operating companies, if such operating companies' financial condition were to deteriorate and to the extent that funds are not available under the guarantees, BP2F and holders of securities could suffer direct and materially adverse consequences, including insufficient return on the securities and, if a liquidation or bankruptcy of BP2F were to occur, loss by holders of all or part of their investment.

BP2F is not an operating company so has limited capital resources. Its financial condition therefore mainly depends on its ability to issue securities and otherwise raise finance. A deteriorating or challenging economic situation can make it more difficult for BP2F to raise finance, or may make the terms on which it is able to do so more onerous, which could have a negative effect on BP2F's financial condition.

#### *Operational risks relating to the business of BP2F*

BP2F may face operational risks, such as loss resulting from inadequate or failed internal processes or systems, human error, external events or changes in the competitive environment that damage the franchise or operating economics of a business. To mitigate these operational risks, in 2013 BP2F hired two part time employees of BNP Paribas Fortis SA/NV.

#### *Legal risk and tax risks relating to the business of BP2F*

BP2F may face legal risks and tax risks. In case of any potential legal risk, BP2F will request advice from the legal department of BNPPF and external legal advisors, if required by an executive manager of BP2F or by a member of the board of directors. In case of any potential tax risk, BP2F will request advice from the tax specialists of BNPPF and advice from external tax advisors if required by a member of the board of directors.

#### *Settlement risks relating to the business of BP2F*

To mitigate the risks associated with BP2F's daily cash management, BP2F has implemented a payment procedure approved by the board of directors and agreed by BGL BNP Paribas S.A..

#### *Transfer pricing tax rules in Luxembourg generate additional costs, which may vary from time to time*

According to OECD principles, any related party transaction should be performed at arm's length. In other words, remuneration should be in line with what independent third parties would have charged in a similar transaction. These transfer pricing principles apply to intra-group financings (being defined as any financing granted between companies that participate directly or indirectly in the management, control or capital of each other or have a common person doing so).

On 28 January 2011 the Luxembourg direct tax authorities issued Circular L.I.R. 164/2 stating that for intra-group financing activities the OECD principles are to be applied, that it is the burden of the taxpayer to prove compliance of the fixed pricing with those principles and finally issues the conditions and process to obtain an Advance Pricing Agreement ("**APA**") binding the Luxembourg tax authorities to honour for the company's tax assessment the pricing described and approved through the APA for a period which cannot exceed 5 years.

On 22 May 2012 following the filing of an APA with the Luxembourg Tax authorities, BP2F has received a positive answer for its APA for the fiscal years 2012 to 2016.

The requesting of a new APA for the period beginning after 2016 could result in a different pricing for the securities and could thus generate additional costs, which may vary from time to time. Investors are cautioned that all such risks should be borne in mind and analysed when investing in the securities of BP2F..

See also the risk factors relating to BNPPF set out below which are also applicable to BP2F but must be considered in the light of the specific activities, businesses, location, jurisdiction, applicable laws, composition of assets and liabilities, finances and other features of BP2F. BNPPF is the parent company of BP2F.

#### **Risk Factors Relating to BNPPF**

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

As part of a global financial institution, the BNPPF's businesses can be highly sensitive to changes in the financial markets and economic conditions generally in Europe (especially in Belgium and Luxembourg). In recent years, BNPPF has been, and may again in the future be confronted with a significant deterioration of market and economic conditions resulting, among other things, from crises affecting sovereign debt, the capital markets, credit or liquidity markets, regional or global recessions, sharp fluctuations in commodity prices (including oil), currency exchange rates

or interest rates, volatility in prices of financial derivatives, inflation or deflation, corporate or sovereign debt rating downgrades, restructurings or defaults, or adverse political and geopolitical events (such as natural disasters, pandemics, societal unrest, geopolitical tensions, acts of terrorism and military conflicts). Such disruptions, which may develop quickly and hence not be fully hedged, could affect the operating environment for financial institutions for short or extended periods and have a material adverse effect on BNPPF's financial condition, results of operations or cost of risk. In 2016, the macroeconomic environment could be subject to various specific risks, including geopolitical tensions, financial market volatility, slowdowns in China and emerging markets, weak growth in the Euro-zone, decreasing prices of commodities and the gradual unwinding of exceptionally accommodating monetary policies in the United States. Measures taken or that may be taken by central banks to stimulate growth and prevent deflation, including the "quantitative easing" measures announced by the European Central Bank (the "ECB") in January and December 2015, may prove to be insufficient or could have negative effects on the banking industry possibly bringing margin pressure but not necessarily lending volume growth.

Moreover, a resurgence of a sovereign debt crisis cannot be ruled out. In particular, European markets have experienced significant disruptions in recent years as a result of concerns regarding the ability of certain countries in the Euro-zone to refinance their debt obligations. At several points in recent years these disruptions caused tightened credit markets, increased volatility in the exchange rate of the euro against other major currencies, affected the levels of stock market indices and created uncertainty regarding the economic prospects of certain countries in the European Union as well as the quality of bank loans to sovereign debtors in the European Union.

BNPPF holds and in the future may hold substantial portfolios of sovereign debt and has and may in the future have substantial amounts of loans outstanding to sovereign borrowers; a new sovereign debt crisis could cause it to incur impairment charges or losses on sales. BNPPF is also active in the interbank financial market and as a result, is indirectly exposed to risks relating to financial institutions with which it does business. More generally, the sovereign debt crisis has had, and could again in the future have, an indirect impact on financial markets and, increasingly, economies, in Europe and worldwide, and more generally on the environment in which BNPPF operates.

If economic conditions in Europe or in other parts of the world were to deteriorate due among other things to concerns over the European economy (in turn triggered by the heightened risk of or even the occurrence of a sovereign default, the failure of a significant financial institution or the exit of a country from the Euro-zone), a continued decline in oil and commodity prices, a continued or increased slowdown of economic growth in emerging countries and China in particular, terrorist attacks or political instability, the resulting market and political disruptions could have a significant adverse impact on the credit quality of BNPPF's customers and financial institution counterparties, on market parameters such as interest rates, foreign exchange rates and stock market indices, and on BNPPF's results of operations, liquidity, ability to raise financing on acceptable terms and financial condition.

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

In the past few years, laws and regulations recently have been enacted, adopted or proposed in particular in Europe and the United States, with a view to introduce a number of changes, some permanent, in the financial environment. The impact of the new measures has changed substantially the environment in which BNPPF and other financial institutions operate. The new measures that have been or may be proposed and adopted include more stringent capital and liquidity requirements (particularly for large global banking groups such as BNP Paribas Group), taxes on financial transactions, restrictions and increased taxes on employee compensation over specified levels, restrictions on certain types of activities considered as speculative undertaken by commercial banks that will be prohibited or need to be ring-fenced in subsidiaries (particularly proprietary trading), restrictions or prohibitions on certain types of financial products or activities, enhanced recovery and resolution regimes, revised risk-weighting methodologies, increased internal control and reporting requirements with respect to certain activities, more stringent governance and conduct of business rules, more extensive market abuse regulations, measures to improve the transparency and efficiency of financial markets and in particular to regulate high frequency trading, increased regulation of certain types of financial products including

mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over-the-counter derivative transactions (including through posting of collateral in respect of non-centrally cleared derivatives), and the creation of new and strengthened regulatory bodies. Many of these measures have been adopted and are already applicable to BNPPF. The principal such measures are summarized below.

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

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

In addition to the SSM, the EU Bank Recovery and Resolution Directive of 15 May 2014 ("**BRRD**"), implemented in Belgium by the Belgian Banking Law of 25 April 2014, the Royal Decree of 18 December 2015 and the Royal Decree of 26 December 2015 amending the law of 25 April 2014, strengthens the tools to prevent and resolve banking crises, in particular, in order to ensure that any losses are borne in priority by banks' creditors and shareholders and to minimize taxpayers' exposure to losses and provides for the implementation of resolution funds at the national levels. Under the BRRD and the Law of 25 April 2014, the ACPR or the Single Resolution Board (the "**SRB**"), which was established by Regulation of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("**SRM**") and a Single Resolution Fund ("**SRF**"), may commence resolution proceedings in respect of a banking institution, such as BNPPF, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalize or restore the viability of the institution. Resolution tools are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of capital instruments (such as subordinated bonds) qualifying as additional tier 1 and tier 2 instruments, and finally by creditors in accordance with the order of their claims in normal insolvency proceedings. Certain powers, including the power to write-down capital instruments (including subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings. The implementation of these tools and powers may result in significant structural changes to the relevant financial institutions (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write-down of claims of their shareholders and creditors (including subordinated and senior creditors).

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

Moreover, the Directive of 16 April 2014 on deposit guarantee schemes, transposed into Belgian law by the Law of 25 April 2014 created national deposit guarantee schemes. Other proposals for legislative and regulatory reforms could also have an impact if they were enacted into law. Thus, a draft European Parliament Regulation dated 24 November 2015 completed such Directive of 16 April 2014 through a step plan to create a European deposit insurance scheme that will progressively cover all or part of participating national deposit guarantee schemes.

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

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

Bank regulation in the United States has been substantially changed and expanded in the wake of the financial crisis, including most recently as follows. The U.S. Federal Reserve's final rule imposing enhanced prudential standards on the U.S. operations of large foreign banks will require BNPP, the parent company of BNPPF, to create a new intermediate holding company ("**IHC**") for its U.S. subsidiaries by 1 July 2016, which will be required to comply with risk-based and leverage capital requirements, liquidity requirements, supervisory stress testing and capital planning requirements as well as other prudential requirements on a stand-alone basis. Under proposals that remain under consideration, the IHC and the combined U.S. operations of BNPP may become subject to limits on credit exposures to any single counterparty, and the combined U.S. operations of BNPP may also become subject to an early remediation regime which could be triggered by risk-based capital, leverage, stress tests, liquidity, risk management and market indicators. The Federal Reserve has also indicated that it is considering future rulemakings that could apply the U.S. rules implementing the Basel III liquidity coverage ratio to the U.S. operations of certain large foreign banking organizations. On 30 November 2015, the U.S. Federal Reserve published proposed rules that would implement in the United States the Financial Stability Board's standards for a TLAC framework. The proposed rules would require, among other things, BNPP's intermediate U.S. holding company to maintain minimum amounts of "internal" TLAC, which would include minimum levels of tier 1 capital and long-term debt satisfying certain eligibility criteria and a related TLAC buffer commencing 1 January 2019. BNPP's intermediate U.S. holding company would be required to issue all such TLAC instruments to a foreign parent entity (a non-U.S. entity that controls the intermediate holding company). The proposed rules would also impose limitations on the types of financial transactions that BNPP's intermediate holding company could engage in. Finally, the "Volcker Rule", adopted by the U.S. regulatory authorities in December 2013, places certain restrictions on the ability of U.S. and non-U.S. banking entities, including BNPP and

its affiliates, to engage in proprietary trading and to sponsor or invest in private equity and hedge funds. BNPP was generally required to come into compliance with the Volcker Rule by July 2015, although the U.S. Federal Reserve has indicated that the conformance deadline for pre-2014 "legacy" investments in and relationships with private equity funds and hedge funds will be extended until 21 July 2017. The Volcker Rule's implementing regulations are highly complex and may be subject to further regulatory interpretation and guidance, and its full impact will not be known with certainty for some time. U.S. regulators have also recently adopted or proposed new rules regulating OTC derivatives activities under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In late 2015, the U.S. Federal Reserve and other U.S. banking regulators finalized margin requirements applicable to uncleared swaps and security-based swaps entered into by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants that are regulated by one of the U.S. banking regulators, including BNPP. These margin requirements, which are scheduled to come into effect in phases beginning in September 2016, will require BNPP to post and collect additional, high-quality collateral for certain transactions, which will increase the costs of uncleared swaps and security-based swaps offered by BNPP to its customers who are "U.S. persons" as defined under the rules which apply globally. The U.S. Securities and Exchange Commission also finalized rules in 2015 requiring the registration of security-based swap dealers and major security-based swap participants as well as obligations relating to transparency and mandatory reporting of security-based swap transactions. Further rules and regulations are expected in 2016 to complete this regulatory framework. The scope and timing for the implementation of these requirements, and therefore their impact on BNPP's swap business, is difficult to predict at this stage.

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

*BNPPF's access to and cost of funding could be adversely affected by a deterioration of the Euro-zone sovereign debt crisis, worsening economic conditions, a ratings downgrade, increases in credit spreads or other factors.*

The financial crisis, the Euro-zone sovereign debt crisis as well as the general macroeconomic environment adversely affected the availability and cost of funding for European banks during the past few years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to their exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including BNPPF, experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the European Central Bank increased substantially. Were such adverse credit market conditions to persist for an extended period or worsen due to factors relating to the economy or the financial industry in general or to BNPPF in particular (such as ratings downgrades), the effect on the liquidity of the European financial sector in general and BNPPF in particular could be materially adverse . and have a negative impact on BNPPF's results of operations and financial condition.

BNPPF's cost of funding may also be influenced by the credit rating on its long-term debt. Any downgrade in the credit ratings by any of the three principal rating agencies may increase BNPPF borrowing costs.

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

unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of the creditworthiness of BNPPF.

*The prolonged low interest rate environment carries inherent systemic risks*

The prolonged period of low interest rates since the 2008/2009 financial crisis may have contributed to, and may continue to contribute to, excessive risk-taking by financial market participants such as lengthening maturities of financings and assets held, more lenient lending standards and increased leveraged lending. Certain of the market participants that may have taken or may take additional or excessive risk are of systemic importance, and any unwinding of their positions during periods of market turbulence or stress (and hence reduced liquidity) could have a destabilizing effect on markets and could lead BNPPF to record operating losses or asset impairments.

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

BNPP group has announced a certain number of strategic objectives, in particular in a strategic plan for the 2014-2016 period presented in March 2014 and a transformation plan for CIB for the 2016-2019 period presented in February 2016. These plans contemplate a number of initiatives, including simplifying BNPP group's organisation and operations, continuing to improve operating efficiency, adapting certain businesses to their economic, regulatory and technological environment and implementing various business development initiatives.

The plans include a number of financial targets and objectives relating to net banking income, operating costs, net income, capital adequacy ratios and return on equity, among other things. These financial targets and objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions. On 5 February 2015 and 5 February 2016, BNPP provided updates regarding the implementation of the 2014-2016 strategic plan and presented the transformation plan of CIB 2016-2019 on 5 February 2016.

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

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

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

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

BNPPF maintains trading and investment positions in the debt and currency markets, and in private equity, property and other assets, including through derivative contracts. These positions could be adversely affected by volatility in financial and other markets, i.e. the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. The capital and credit markets have been experiencing unprecedented volatility and disruption since mid-2007 and particularly since the bankruptcy filing of Lehman Brothers in mid-September 2008. As a result BNPPF incurred significant losses on its trading and investment activities. There can be no assurance that this

extreme volatility and market disruption will not re-occur in the future but BNPPF has taken action, where possible, to decrease the trading exposure and to decrease the size of the potential losses on its trading activities as a result. Volatility trends (or other trends in parameters that are sensitive to market fluctuations such as correlations) that prove substantially different from BNPPF's expectations may lead to losses relating to a broad range of other trading and hedging products BNPPF uses, including swaps, forwards and futures, options and structured products.

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

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

Financial and economic conditions affect the number and size of transactions for which BNPPF provides securities underwriting, financial advisory and other investment banking services. BNPPF's revenues, which include fees from these services, are directly related to the number and size of the transactions in which it participates and can thus be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that BNPPF charges for managing its clients' portfolios are in many cases based on the value or on the performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues BNPPF receives from its asset management, equity derivatives and private banking businesses. Even in the absence of a market downturn, below-market performance by BNPPF's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues BNPPF receives from its asset management business.

During recent market downturns in the last couple of years, BNPPF experienced all of these effects and a corresponding decrease in revenues in the relevant business lines. There can be no assurance that BNPPF will not experience similar trends in future market downturns, which may occur periodically and unexpectedly.

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

In some of BNPPF's businesses, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if BNPPF cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that BNPPF calculates using models rather than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to unanticipated losses.

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

BNPPF is exposed to the risk of legislative or regulatory changes in all of the countries in which it operates, including, but not limited to, the following:

- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;

- general changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which BNPPF operates;
- general changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable capital adequacy and liquidity frameworks;
- general changes in securities regulations, including financial reporting and market abuse regulations;
- general changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems;
- changes in tax legislation or the application thereof;
- changes in accounting norms;
- changes in rules and procedures relating to internal controls; and
- expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership.

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

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

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

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

*The prolonged low interest rate environment carries inherent systemic risks*

The prolonged period of low interest rates since the 2008/2009 financial crisis may have contributed to, and may continue to contribute to, excessive risk-taking by financial market participants such as lengthening maturities of financings and assets held, more lenient lending standards and increased leveraged lending. Certain of the market participants that may have taken or may take additional or excessive risk are of systemic importance, and any unwinding of their positions during periods of market turbulence or stress (and hence reduced liquidity) could have a destabilizing effect on markets and could lead BNPPF to record operating losses or asset impairments.

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

BNPPF's ability to engage in funding, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial services institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, may lead to market-wide

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

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff, as a result of which numerous financial institutions globally have announced losses or exposure to losses in substantial amounts.

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

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

In the highly competitive environment arising from globalisation and convergence in the financial services industry, a reputation for financial strength and integrity is critical to BNPPF's ability to attract and retain customers. BNPPF's reputation could be harmed if it fails to adequately promote and market its products and services. BNPPF's reputation could also be damaged if, as it increases its client base and the scale of its businesses, BNPPF's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address conflicts of interest properly. At the same time, BNPPF's reputation could be damaged also by other compliance risks, including but not limited to, employee misconduct, misconduct or fraud by market participants or funds to which BNPPF is exposed, a decline in, a restatement of, or corrections to its financial results, as well as any adverse legal or regulatory action. Such risks to reputation have recently increased as a result of the growing use of social networks within the economic sphere. The loss of business that could result from damage to BNPPF's reputation could have an adverse effect on its results of operations and financial position.

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

As with most other banks, BNPPF relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services (as illustrated by the launch of Hello bank! in 2014), and the development of cloud computing. Any failure or interruption or breach in security of these systems could result in failures or interruptions in BNPPF's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorised access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognised until launched against a target, BNPPF may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures. BNPPF cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions in BNPPF's information systems and any subsequent disclosure of confidential information related to any client, counterpart or

employee of BNPPF (or any other person) or any intrusion or attack against BNPPF's communication system could have an adverse effect on BNPPF's reputation, financial condition and results of operations.

*Unforeseen external events can interrupt BNPPF's operations and cause substantial losses and additional costs.*

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

BNPPF is exposed to regulatory compliance risk, such as the inability to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to BNPPF's reputation and private rights of action, non-compliance could lead to significant legal proceedings, fines and expenses, public reprimand, enforced suspension of operations or, in extreme cases, withdrawal of operating licenses. This risk is further exacerbated by continuously increasing regulatory oversight. This is the case in particular with respect to money laundering, the financing of terrorist activities or transactions with countries that are subject to economic sanctions.

*Notwithstanding BNPPF risk management policies, procedures and methods, it could still be exposed to unidentified or unanticipated risks, which could lead to material losses.*

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

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

If any of the variety of instruments and strategies that BNPPF uses to hedge its exposure to various types of risk in its businesses is not effective, BNPPF may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if BNPPF holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position.

However, the hedging strategies may not protect against all future risks or may not be fully effective in mitigating BNPPF's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of BNPPF's hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in BNPPF's reported earnings.

*Intense competition in the financial services industry could adversely affect BNPPF revenues and profitability.*

There is substantial competition in Belgium, Luxembourg and the other regions in which BNPPF carries on business for the types of banking, asset management and insurance, and other products and services BNPPF provides.

Such competition is most pronounced in the core Benelux markets of BNPPF where BNPPF faces competition from companies such as KBC Bank, ING Group, Belfius and BIL. As a result, BNPPF's strategy is to maintain customer loyalty and retention, which can be influenced by a number of factors, including service levels, the prices and attributes of products and services, financial strength and actions taken by competitors. If BNPPF is unable to compete with attractive product and service offerings that are profitable, BNPPF may lose market share or incur losses on some or all of BNPPF's activities.

Competitive pressures could result in increased pricing pressures on a number of BNPPF's products and services, particularly as competitors seek to win market share, and may harm BNPPF's ability to maintain or increase profitability.

In addition, competition in the banking industry could intensify as a result of consolidation in the financial services area or as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding. In particular, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g., debt funds, shadow banks), or benefiting from economies of scale, data synergies or technological innovation (e.g., internet and mobile operators, fintechs), could be more competitive. If BNPPF is unable to respond to the competitive environment in Benelux by offering attractive and profitable product and service solutions, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for BNPPF and its competitors. It is also possible that the increased presence in the global marketplace of nationalised financial institutions, or financial institutions benefiting from State guarantees or other similar advantages, following the recent financial crisis or the imposition of more stringent requirements (particularly capital requirements and activity restrictions) on larger or systematically significant financial institutions could lead to distortions in competition in a manner adverse to large private-sector institutions such as BNPPF.

*Litigation or other proceedings or actions may adversely affect BNPPF's business, financial condition and results of operations.*

In its normal course of business, BNPPF is subject to the risk of litigation by customers, employees or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation or similar proceedings or actions is difficult to assess or quantify. Plaintiffs in these types of actions may seek recovery of large or indeterminate amounts or other remedies that may affect BNPPF's ability to conduct business, and the magnitude of the potential loss relating to such actions may remain unknown for substantial periods of time. The cost to defend future actions may be significant. There may also be adverse publicity associated with litigation that could decrease customer acceptance of BNPPF's services, regardless of whether the allegations are valid or whether BNPPF is ultimately found liable. As a result, the possibility cannot be ruled out that the outcome of such litigations or investigations may adversely affect BNPPF's business, financial condition and results of operations.

Furthermore, several (previous) shareholders and entities representing shareholders of Ageas SA/NV (previously Fortis SA/NV and Fortis N.V.) have initiated proceedings in Belgium and in The Netherlands against, amongst others, BNPPF in connection with events and developments in respect of the former Fortis group between May 2007 and October 2008,

amongst others in connection with the rights issue of Ageas SA/NV in October 2007. In February 2013 the public prosecutor in Brussels has requested the court ("*raadkamer/chambre du conseil*") to refer certain individuals for trial before the Criminal court of Brussels in respect of certain of these events and developments. Investigation is still ongoing. Moreover, other litigations or investigations are pending in relation to the restructuring of the former Fortis group. It cannot be ruled out that the outcome of such litigations and/or investigations might also have an impact on BNPPF.

More information on these litigations and investigations can be found under Note 8.a (*Contingent Liabilities: Legal proceeding and arbitration*) on pages 128 to 129 in the 2015 annual report of BNP Paribas Fortis for the year ended December 2015.

*A deterioration of the credit rating of BNP Paribas of its debt quality could adversely affect BNPPF*

As part of the BNP Paribas Group, BNPPF can be highly sensitive to a downgrade by rating agencies of the rating of the parent company of the BNP Paribas Group or a deterioration of its debt quality. BNP Paribas took control of BNPPF on 12 May 2009 (formerly Fortis Bank NV/SA) and subsequently increased its stake in BNPPF to 74.93 per cent. BNP Paribas is now the major shareholder of BNPPF.

*While each of BNPPF's businesses manages its operational risks, these risks remain an inherent part of all of BNPPF's businesses*

BNPPF is subject to operational risk because of the uncertainty inherent in all business undertakings and decisions. This risk can be broken down into business risk and event risk.

Business risk is the risk of 'being in business', which affects any enterprise, financial or non-financial. It is the risk of loss due to changes in the competitive environment that damage the business's franchise or operating economics. Typically, the fluctuation originates with variations in volume, pricing or margins against a fixed cost base. Business risk is thus mostly externally driven (by regulatory, fiscal, market and or competition changes, as well as strategic, reputation risks and other related risks).

Event risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal and compliance risk. Event risk is often internally driven (internal and external fraud involving employees, clients, products and business practices, as well as technological and infrastructure failures and other related malfunctions) and can be limited through management processes and controls.

BNPPF attempts to keep these risks at appropriate levels by maintaining a sound and well controlled environment in light of the characteristics of its business, the markets and the regulatory environments in which BNPPF operates. While these control measures mitigate operational risks they do not eliminate them.

*BNPPF has significant counterparty risk exposure and exposure to systemic risks*

BNPPF's business is subject to general credit risks, including credit risks of borrowers and other counterparties. Third parties that owe BNPPF money, securities or other assets may not pay or perform under their obligations. These parties include borrowers under loans made, the issuers whose securities BNPPF holds, customers, trading counterparties, counterparties under swaps and credit and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries. These parties may default on their obligations to BNPPF due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons.

In addition, in the past, the general credit environment has been adversely affected by significant instances of fraud. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely

affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom BNPPF interacts on a daily basis, and could have an adverse effect on BNPPF's business.

*Uncertainty linked to fair value accounting and use of estimates*

According to BNPPF's valuation rules financial assets can be carried at fair value through profit or loss. Concerned assets include financial assets held for trading, including non-cash flow hedging derivatives, and financial assets that BNPPF has irrevocably designated to be held at fair value through profit or loss ('fair value option'). The fair value of a financial instrument is determined based on quoted prices in active markets. When quoted prices in active markets are not available, valuation techniques are used. Valuation techniques make maximum use of market inputs but are affected by the assumptions used, including discount rates and estimates of future cash flows, and take into consideration, where applicable, model risks. Such techniques include market prices of comparable investments, discounted cash flows, option pricing models and market multiples valuation methods. In the rare case where it is not possible to determine the fair value of a financial instrument, it is accounted for at cost. The effect of changing the assumptions for those financial instruments for which the fair values are measured using valuation techniques that are determined in full or in part on assumptions that are not supported by observable inputs may have a material adverse effect on BNPPF's earnings.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying these accounting policies. Actual results may differ from those estimates and judgmental decisions.

Financial institutions may use different accounting categorisations for the same or similar financial assets due to their different intentions regarding those assets. In determining fair value of financial instruments, different financial institutions may use different valuation techniques, assumptions, judgments and estimates which may result in lower or higher fair values for such financial instruments.

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

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

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

The International Accounting Standards Board published International Financial Reporting Standard 9 Financial Instruments ("**IFRS 9**"), issued by the IASB in July 2014, will replace IAS 39 Financial Instruments: recognition and measurement, related to the classification and measurement of financial instruments. It sets out the new principles for the classification and measurement of financial instruments, for impairment for credit risk on financial assets and for general hedge accounting (or micro hedging).

IFRS 9 is mandatory for annual periods beginning on or after 1 January 2018 and must first be endorsed by the European Union for application in Europe.

According to IFRS 9, classification and measurement of financial assets will depend on the business model and the contractual characteristics of the instruments. On initial recognition, financial assets will be measured at amortised cost, at fair value through shareholders' equity or at fair value through profit or loss.

Application of these two criteria may lead to different classification and measurement of some financial assets compared with IAS 39.

Investments in equity instruments such as shares will be classified as instruments at fair value through profit or loss, or, as an option, as instruments at fair value through shareholders' equity.

The only change introduced by IFRS 9 with respect to financial liabilities relates to recognition of changes in fair value attributable to changes in the credit risk of the liabilities designated as at fair value through profit or loss (fair value option), which will be recognised in shareholders' equity and not in profit or loss.

IFRS 9 establishes a new credit risk impairment model based on expected losses.

Under the impairment model in IAS 39, an impairment loss is recognised where there is an objective evidence of impairment. Counterparties that are not individually impaired are risk-assessed on the basis of portfolios with similar characteristics and groups of counterparties which, as a result of events occurring since inception of the loans present objective indication of impairment, are subject to a portfolio-based impairment. Moreover, BNP Paribas Fortis may recognise additional collective impairment with respect to a given economic sector or geographic area affected by exceptional economic events.

The new impairment model under IFRS 9 requires recognition of 12-month expected credit losses (that result from the risk of default in the next 12 months) on the financial instruments issued or acquired, as of the date of initial recognition on the balance sheet.

Expected credit losses at maturity (that result from the risk of default over the life of the financial instrument) must be recognised if the credit risk has increased significantly since initial recognition.

This model will apply to loans and debt instruments measured at amortised cost or at fair value through shareholders' equity, to loan commitments and financial guarantees not recognised at fair value, as well as to lease receivables.

The objective of the hedge accounting model under IFRS 9 is to better reflect risk management, especially by expanding the eligible hedging instruments and eliminating some overly prescriptive rules. On initial application of IFRS 9, BNP Paribas Fortis may choose either to apply the new hedge accounting provisions or to maintain the hedge accounting principles under IAS 39 until the new macro hedging standard comes into force.

IFRS 9 does not explicitly address hedging the interest rate risk on a portfolio of financial assets or liabilities. The provisions of IAS 39 for these portfolio hedges, as adopted by the European Union, will continue to apply.

The IFRS 9 implementation projects in BNP Paribas Fortis have started for each phase of the standard. At this stage, these projects focus mainly on analysing financial assets for the purposes of classification and defining the methodology for the new impairment model.

IFRS 15 Revenue from Contracts with Customers, issued in May 2014, will supersede a number of standards and interpretations on revenue recognition (in particular IAS 18 Revenue and IAS 11 Construction Contracts). This standard does not apply to revenue from lease contracts, insurance contracts or financial instruments. It is based on a five-step model framework to determine the timing and amount of recognition of revenue from ordinary activities. IFRS 15 is mandatory for annual periods beginning on or after 1 January 2018 and must first be endorsed by the European Union for application in Europe.

## RISK FACTORS RELATING TO SECURITIES

### 1. General

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

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

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

Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Securities or Inflation Index Securities. Fluctuations in the price of the relevant share, GDR or ADR or value of the basket of shares, GDRs and/or ADRs will affect the value of Share Securities. Fluctuations in the price of the relevant interest in an exchange traded instrument or value of the basket of interests in exchange traded instruments will affect the value of ETI Securities. Fluctuations in the price or yield of the relevant debt instrument or value of the basket of debt instruments will affect the value of Debt Securities. Also, the character of the particular market on which a debt instrument is traded, the absence of last sale information and the limited availability of quotations for such debt instrument may make it difficult for many investors to

obtain timely, accurate data for the price or yield of such debt instrument. Fluctuations in the value of the relevant inflation index or basket of inflation indices will affect the value of Inflation Index Securities. Fluctuations in the rates of exchange between the relevant currencies will affect the value of Currency Securities. Fluctuations in the value of the relevant commodity or commodity index or basket of commodities and/or commodity indices will affect the value of Commodity Securities. Fluctuations in the value of the relevant fund share or unit or basket of fund shares or units will affect the value of the Fund Securities. Fluctuations in the value of the relevant futures contracts or basket of futures contracts will affect the value of the Futures Securities. Fluctuations in the creditworthiness of the relevant Reference Entity or Reference Entities will affect the value of the Credit Securities. In the case of Hybrid Securities the Underlying Reference in respect of which is any combination of such indices, shares, GDRs, ADRs, interests in exchange traded instruments, debt instruments, futures or options contracts, currencies, commodities, inflation indices, fund shares, futures contracts, underlying interest rate or any other asset class or type, fluctuations in the value of any one or more of such Underlying References will correspondingly affect the value of Hybrid Securities. Purchasers of Securities risk losing their entire investment if the value of the relevant Underlying Reference does not move in the anticipated direction.

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

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

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

Each Issuer and any Manager may, but is not so obliged, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Securities so purchased may be held or resold or surrendered for cancellation as further described herein. Even if a Manager is a market-maker for an issue of Securities, the secondary market for such Securities may be limited. In addition, Affiliates of each Issuer (including the relevant Manager as referred to above) may purchase Securities at the time of their initial distribution and from time to time thereafter.

There may be no secondary market for the Securities and to the extent that an issue of Securities is or becomes illiquid, an investor may have to wait until redemption of such Securities to realise greater value than its then trading value.

#### *Risk of Leveraged Exposure*

Leverage involves the use of a number of financial techniques to increase the exposure to an Underlying Reference, and can therefore magnify both returns and losses. While the use of leverage allows for potential multiples of a return (assuming a return is achieved) when the Underlying Reference moves in the anticipated direction, it will conversely magnify losses when the Underlying Reference moves against expectations. If the

relevant Securities include leverage, potential holders of such Securities should note that these Securities will involve a higher level of risk, and that whenever there are losses such losses may be higher than those of a similar security which is not leveraged. Investors should therefore only invest in leveraged Securities if they fully understand the effects of leverage.

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

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

#### *Absence of Rights in respect of the Underlying Reference*

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

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

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

The Securities are unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* with themselves. Each issue of Securities issued by BNPP B.V. will be guaranteed by BNPP pursuant to the BNPP Note Guarantee. The obligations of BNPP under the BNPP Guarantees are unsubordinated and unsecured obligations of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations, subject as may from time to time be mandatory under French law. Each issue of Securities issued by BP2F will be guaranteed by BNPPF pursuant to the BNPPF Note Guarantee. The obligations of BNPPF under the BNPPF Guarantees are unsubordinated and unsecured obligations of BNPPF and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations, subject as may from time to time be mandatory under Belgian Law.

Risk factors relating to the security, the collateral and the nature of the guarantee in respect of Secured Securities are set out in paragraphs 4 to 6 below.

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

The trading price of the Securities may be affected by a number of factors including, but not limited to, the relevant price, value or level of the Underlying Reference(s), the time remaining until the scheduled maturity date of the Securities, the actual or implied volatility and the correlation risk of the Underlying Reference(s).

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

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

- (c) the time remaining until the scheduled maturity date of the Securities. Depending on the applicable payout or coupon rates, the value of the Securities may fluctuate as the time remaining until the scheduled maturity date decreases;
- (d) any change(s) in interim interest rates and dividend yields, if applicable. Depending on the applicable payout or coupon rates, movements in interest rates and/or dividends may cause the value of the Securities to either rise or fall;
- (e) any change(s) in currency exchange rates;
- (f) the depth of the market or liquidity of the Underlying Reference as specified in the applicable Final Terms; and
- (g) any related transaction costs.

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

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

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

*Meetings of Holders*

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

*Minimum Trading Amount*

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

*Potential Conflicts of Interest*

- (i) Certain entities within the Group or its affiliates (including, if applicable, any Manager) may also engage in trading activities (including hedging activities) relating to the Underlying Reference or Reference Entity and other instruments or derivative products based on or relating to the Underlying Reference or Reference Entity of any Securities for their proprietary accounts or for other accounts under their management;
- (ii) BNPP B.V., BNPP, BP2F, BNPPF and their Affiliates (including, if applicable, any Manager) may also issue other derivative instruments in respect of the Underlying Reference;

- (iii) BNPP B.V., BNPP, BP2F, BNPPF and their Affiliates (including, if applicable, any Manager) may also act as underwriter in connection with future offerings of shares or other securities relating to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies;
- (iv) BNPP B.V., BNPP, BP2F, BNPPF and their Affiliates (including, if applicable, any Manager) may act in a number of different capacities in relation to an underlying index, including, but not limited to, issuer of the constituents of the index, index sponsor or calculation agent;
- (v) In respect of ETI Securities and Fund Securities:
  - I. the relevant Issuer or one or more of its Affiliates may from time to time engage in business with the relevant ETI or Fund, as the case may be, or companies in which an ETI or Fund, as the case may be, invests, including among other things, extending loans to, or making investments in, or providing advisory services to them, including merger and acquisition advisory services, engaging in activities that may include prime brokerage business, financing transactions or entry into derivative transactions;
  - II. the ETI or Fund (each as defined below), as applicable, may pay a portion of its fees to the relevant Issuer or any of its Affiliates for the provision of such services;
  - III. in the course of this business, the relevant Issuer, the Guarantor, the Calculation Agent and any of their respective Affiliates may acquire non-public information about an ETI or a Fund, as applicable, or any companies, funds or reference assets in which an ETI or a Fund invests and the relevant Issuer, the Guarantor, the Calculation Agent or any of their respective Affiliates may publish research reports about them. This research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding ETI Securities or Fund Securities, as applicable. Such activities could present certain conflicts of interest, could influence the prices of such shares, Fund Shares, ETI Interests or other securities and could adversely affect the value of such Securities;
- (v) Various legal entities within the Group may undertake the role of Issuer of the Securities, Calculation Agent of the Securities, sponsor of the underlying custom index and Calculation Agent of the underlying custom index. BNP Paribas has policies and procedures to identify, consider and manage potential conflicts of interest which this situation may potentially generate; and
- (vii) Because the Calculation Agent (as defined below) may be an Affiliate of the relevant Issuer or, if applicable, the Guarantor, potential conflicts of interest may exist between the Calculation Agent and holders of the Securities, including with respect to certain determinations and judgments that the Calculation Agent must make, including whether a Market Disruption Event, a Settlement Disruption Event or Credit Event (each, as defined in the Conditions) has occurred. The Calculation Agent is obligated to carry out its duties and functions as Calculation Agent acting in good faith and in a commercially reasonable manner however, subject to always acting only within the parameters allowed by the terms and conditions of the Securities, it has no responsibility to take investors' interests into account.

*Certain Considerations Regarding Purchasing Securities as Hedges*

Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in the Underlying Reference which may be specified in the applicable Final Terms should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not

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

*The Issuer or the Guarantor may be substituted by another entity*

The conditions of the Securities provide that the Issuer may, without the consent of the Holders and without regard to the interests of particular Holders, agree to the substitution of another company as the principal obligor under any Securities in place of the Issuer, subject to the conditions set out in Condition 20 (*Substitution*). In particular, in the case of guaranteed securities, where the substitute is not the relevant Guarantor, the Guarantor will guarantee the performance of the substitute's obligations under the Securities.

The conditions of the Securities also provide that BNPP may, without the consent of the Holders and without regard to the interests of particular Holders, agree to the substitution of another company as the guarantor in respect of any Securities issued by BNPP B.V., subject to the conditions set out in Condition 20 (*Substitution*). In particular, the creditworthiness of the substitute guarantor must be at least equal to that of BNPP, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to, inter alia, the long term senior debt ratings assigned by such rating agencies as the Calculation Agent determines.

The Issuer will give Holders notice of such substitution in accordance with Condition 17 (*Notices*).

*Credit Ratings may not Reflect all Risks*

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

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

*Effect of Credit Rating Reduction*

The value of the Securities is expected to be affected, in part, by investors' general appraisal of the creditworthiness of the relevant Issuer and, if applicable, the Guarantor. Such perceptions are generally

influenced by the ratings accorded to the outstanding securities of BNPP B.V., BNPP, BP2F or BNPPF by standard statistical rating services, such as Standard & Poor's Credit Market Services France SAS, Fitch France S.A.S., Moody's France SAS, Moody's Investors Service Ltd., and Fitch Ratings Ltd.. A reduction in the rating, if any, accorded to outstanding debt securities of BNPP B.V., BNPP, BP2F or BNPPF by one of these rating agencies could result in a reduction in the trading value of the Securities.

#### *Waiver of set-off*

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

#### *Taxation*

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

#### *EU financial transaction tax*

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

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, "established" in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

The FTT may give rise to tax liabilities for the relevant Issuer with respect to certain transactions if it is adopted based on the Commission's proposal. Examples of such transactions are the conclusion of a derivative contract in the context of the relevant Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets) or the exercise/settlement of a warrant. The relevant Issuer is, in certain circumstances, able to pass on any such tax liabilities to holders of the Securities and therefore this may result in investors receiving less than expected in respect of the Securities. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Securities (including secondary market transactions) if conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between participating member states. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

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

The U.S. Hiring Incentives to Restore Employment Act (the "**HIRE Act**") imposes a 30% withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met. If an Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section "*Taxation – Hiring Incentives to Restore Employment Act.*"

### *EU Resolution and Recovery Directive*

On 2 July 2014, Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD provides that it will be applied by Member States from 1 January 2015, except for the general bail-in tool which is to be applied from 1 January 2016.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge bank" (a public controlled entity holding such business or part of a business with a view to reselling it); (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims including Securities to equity (the "**general bail-in tool**"), which equity could also be subject to any future application of the general bail-in tool.

The BRRD also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

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

The powers set out in the BRRD impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. The impact of the BRRD and its implementing provisions on credit institutions, is currently unclear but its current and future implementation and application to any relevant

Issuer or Guarantor or the taking of any action under it could materially affect the activity and financial condition of any relevant Issuer or Guarantor and the value of any Securities.

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

#### *Implementation of BRRD in France*

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

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

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

institution under resolution to zero and/or (ii) purchase shares or other instruments of ownership or capital instruments in the institution under resolution, in order to recapitalise the institution. The last step - if there are losses left - would be an extraordinary public financial support through additional financial stabilisation tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework. An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The powers set out in the BRRD will impact how credit institutions, including BNPP, and investment firms are managed as well as, in certain circumstances, the rights of creditors. In particular, Holders may be subject to write-down (including to zero) or conversion into equity on any application of the general bail-in tool (including amendment of the terms of the Securities such as a variation of their maturity), which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD as applied to BNPP or any suggestion of such exercise could, therefore, materially adversely affect the rights of Holders, the price or value of their investment in any Securities and/or the ability of BNPP, acting as Issuer or Guarantor, as the case may be, to satisfy its obligations under any Securities.

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

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

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

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

#### *Implementation of BRRD in Belgium*

The implementation of the BRRD into Belgian law has been made by three texts of legislative nature. The first text is the Belgian Law of 25 April 2014 on the status and supervision of credit institutions (the "**Belgian Banking Law**") which implemented partially the BRRD in anticipation.

This law has been amended by the Royal Decree of 18 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions (the "**Royal Decree of 18 December 2015**") and the Royal Decree of 26 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions relating to the resolution and recovery of group failures (the "**Royal Decree of 26 December 2015**") which introduced various provisions amending and supplementing the Banking Law to adapt Belgian law to the BRRD.

These royal decrees entered into force on 1 January 2016 and are hence currently in full effect.

The Belgian Banking Law includes a number of measures transposing the BRRD. It grants the power to the supervisor to impose certain recovery measures, including the power to impose in certain circumstances a suspension of activities. Any suspension of activities can, to the extent determined by the competent supervisor, result in the partial or complete suspension of the performance of agreements entered into by the relevant financial institution. The new Belgian Banking Law also grants the power to a resolution authority to take a number of resolution measures, including (i) a forced sale of the credit institution, (ii) the establishment of a bridge bank or (iii) the forced transfer of all or part of the assets, rights or obligations of the credit institution.

The Royal Decree of 18 December 2015 organises the bail-in tool provided for in the BRRD. It provides that the resolution authority may proceed (i) to write-down (reducing the amount outstanding, including to zero), (ii) to the conversion of these debts into equity (ordinary shares or other instruments of ownership) under certain conditions and for the pursuit of certain goals, or (iii) to the variation of the terms (e.g. the variation of maturity of a debt instrument). Financial public support may only be used as a last resort after having assessed and exploited to the maximum extent practicable, the resolution tools, including the bail-in tool. This may result in such holders losing some or all their investment. The exercise of any power under the BRRD and its implementing provisions or any suggestion of such exercise could materially adversely affect the rights of the Holders, the price or value of their investment in any Securities and/or the ability of the Issuer or the Guarantor, as the case may be, to satisfy its obligations under any Securities.

The Royal Decree of 26 December 2015 introduces the principle following which, in the context of groups, recovery and resolution plans must be established at group level only, unless otherwise provided.

In addition, it provides that the resolution authority may decide to apply the minimum requirement for own funds and eligible liabilities to credit institutions.

In addition, Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund has been established as a single resolution mechanism. A centralised power of resolution is entrusted to the Single Resolution Board, while the national resolution authorities (for Belgium, *le Collège de résolution/het Afwikkelingscollege*) will remain responsible for certain tasks within the Single Resolution Mechanism.

These measures may have an impact on the performance by BNPPF of its obligations under the Securities and execution of the transaction documents to which BNPPF is a party.

The specific resolution rules set aside the traditional bankruptcy rules allowing the avoidance of transactions entered into during the so called "suspect period" (i.e. claw back); these rules do not apply to the acts of disposal adopted in the context of resolution measures. Moreover, the Belgian Royal Decree dated 22 February 2015 creates two new preferential rights on a bank's movables for depositors and for the guarantee fund.

### *Implementation of BRRD in The Netherlands*

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

### *Implementation of BRRD in Luxembourg*

The BRRD was implemented by the Luxembourg act dated 18 December 2015 which was officially published on 24 December 2015 in the Luxembourg Memorial A (n° 246) of the Official Journal of the Grand-Duchy of Luxembourg (page 6000) (the "**BRR Act 2015**"). Under the BRR Act 2015, the competent authority is the *Commission de surveillance du secteur financier* (the "**CSSF**") and the resolution authority is the CSSF acting as Resolution Council (le *Conseil de résolution*).

The BRR Act 2015 provides for certain resolution measures, including the power to impose in certain circumstances a suspension of activities. Any suspension of activities can, to the extent determined by the CSSF, result in the partial or complete suspension of the performance of agreements entered into by BP2F. The BRR Act 2015 also grants the power to the Resolution Council to take a number of resolution measures which may apply to BP2F, including (i) a forced sale of the credit institution (sale of business), (ii) the establishment of a bridge institution bank or, (iii) the forced transfer of all or part of the assets, rights or obligations of the credit institution (asset separation) and (iv) the application of the general bail-in tool.

The powers set out in the BRR Act 2015 will impact how credit institutions, investment firms and any financial institution that is established in Luxembourg and is a subsidiary of a credit institution, or an investment firm, and is covered by the supervision of the parent undertaking on a consolidated basis in accordance with the Regulation (EU) No 575/2013 (such as BP2F), are managed as well as, in certain circumstances, the rights of creditors.

If the debt bail-in tool and the statutory write-down and conversion power become applicable to BP2F, the Securities may be subject to write-down or conversion into equity on any application of the bail-in tool, which may result in such holders losing some or all of their investment. Subject to certain conditions, the terms of the obligations owed by BP2F may also be varied by the resolution authority (e.g. as to maturity, interest and interest payment dates). The exercise of any power under the BRR Act 2015 or any suggestion of such exercise could materially adversely affect the rights of Holders, the price or value of their investment in any Securities and/or the ability of BP2F to satisfy its obligations under any Securities.

Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund has established as single resolution mechanism. A centralised power of resolution is entrusted to the Single Resolution Board and the national resolution authorities (for Luxembourg, the CSSF through the Resolution Council) will work in close cooperation with it.

### *French Insolvency Law*

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

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

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

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

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

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

#### *Change of Law*

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

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

If the Issuer determines that the performance of its obligations under the Securities has become illegal or impracticable in whole or in part for any reason, the Issuer may redeem the Securities by paying to each Holder the fair market value of such Securities less, except in the case of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements provided that, if the Securities are Italian Listed Notes, the amount payable to each Holder shall be the Early Redemption Amount. Such cancellation or redemption may result in an investor not realising a return on an investment in the Securities.

#### *Post-issuance Information*

Save as set out in the applicable Final Terms, the relevant Issuer will not provide post-issuance information in relation to the Underlying Reference. In such an event, investors will not be entitled to obtain such information from the relevant Issuer.

*The rate of interest payable on the Securities or the amount payable or deliverable on redemption or exercise of the Securities may in certain circumstances be changed during the life of the Securities*

If Coupon Switch Election or Automatic Coupon Switch is specified in the applicable Final Terms, the rate of interest or payable may be switched from one rate or amount to another in the Issuer's discretion (in the case of Coupon Switch Election) or following the occurrence of an Automatic Coupon Switch Event (in the case of an Automatic Coupon Switch). If Payout Switch Election or Automatic Payout Switch is specified in the applicable Final Terms, the amount payable or deliverable on redemption or exercise may be switched from one amount payable or deliverable to another in the Issuer's discretion (in the case of Payout Switch Election)

or following the occurrence of an Automatic Payout Switch Event (in the case of an Automatic Payout Switch). As a consequence of the exercise of a Coupon Switch Election or Payout Switch Election or the occurrence of an Automatic Coupon Switch Event or Automatic Payout Switch Event, the Underlying Reference may be changed. As the payout on such Securities may be switched during the life of the Securities investors may receive a return which differs from, and may be significantly less than, that which they expected to receive or they may receive no return.

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

In certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date of such Securities certain specific information (specifically the issue price, fixed rate of interest, minimum and/or maximum rate of interest payable, the margin applied to the floating rate of interest payable, the Gearing applied to the interest or final payout, the Gearing Up applied to the final payout, (in the case of Autocall Securities, Autocall One Touch Securities or Autocall Standard Securities) the FR Rate component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions), the AER Exit Rate used if an Automatic Early Redemption Event occurs, the Bonus Coupon component of the final payout (in the case of Vanilla Digital Securities), the Up Cap Percentage component of the final payout (in the case of Certi-Plus: Generic Securities, Certi-Plus: Generic Knock-in Securities and Certi-Plus: Generic Knock-out Securities), any Constant Percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2, Constant Percentage 3 or Constant Percentage 4) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known. In these circumstances the Final Terms will specify in place of the relevant rate, level or percentage, as applicable, an indicative range of rates, levels or percentages. The actual issue price, rate, level or percentage, as applicable, applicable to the Securities will be selected by the Issuer from within the range and will be notified to investors prior to the Issue Date. The actual issue price, rate, level or percentage, as applicable, will be determined in accordance with market conditions by the Issuer in good faith and in a commercially reasonable manner.

Prospective purchasers of Securities will be required to make their investment decision based on the indicative range rather than the actual rate, level or percentage, as applicable, which will only be fixed after the investment decision is made but will apply to the Securities once issued.

Where an indicative range is specified in the Final Terms in respect of the Rate of Interest, Minimum Rate of Interest, Maximum Rate of Interest, Margin, FR Rate and/or AER Exit Rate, prospective purchasers of Securities should, for the purposes of evaluating the risks and benefits of an investment in the Securities, assume that the actual Rate of Interest, Minimum Rate of Interest, Maximum Rate of Interest, Margin, FR Rate and/or AER Exit Rate, as applicable, which will apply to the Securities will be the lowest rate specified in the range and make their decision to invest in the Securities on that basis.

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

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

In certain circumstances in respect of the Barrier Level, Bonus Level and/or Cap Level may not be known at the issue date of the Securities. In these circumstances, the Final Terms will specify that the Barrier Level,

Bonus Level and/or Cap Level, as applicable, will be the product of a specified percentage and the Closing Level, Closing Price, Italian Securities Reference Price, Relevant Price or Settlement Price, as applicable, of the Underlying Reference on the Strike Date (rounded upwards or downwards as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner). Following the Strike Date, the Issuer will give notice of the actual Barrier Level, Bonus Level and/or Cap Level, as applicable, applicable to the Securities. Prospective investors should review the Final Terms together with the information contained in the notice in order to ascertain the Barrier Level, Bonus Level and/or Cap Level which will apply to the Securities.

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

In the case of Securities that include an Automatic Early Redemption feature, the longer the time remaining until the scheduled maturity date of the Securities, the higher the probability that an Automatic Early Redemption Event will occur.

In the event that the relevant level, value or price of the Underlying Reference approaches the level that triggers the Automatic Early Redemption Event, the Holder may not be able to sell the Securities in the secondary market before the occurrence of the Automatic Early Redemption Event (see also "*Possible Illiquidity of the Securities in the Secondary Market*" above). If the Underlying Reference is listed on a different exchange to that on which the Securities are listed, the Automatic Early Redemption Event may occur outside the normal trading hours of the exchange on which the Securities are listed. In this case, the Holder may not have an opportunity to sell the Securities in the secondary market before the Automatic Early Redemption Event occurs.

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

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

#### *Gap Risk*

Holders of Securities will be exposed to the gap risk associated with the relevant level, value or price of the Underlying Reference(s), whereby the relevant level, value or price of one or more Underlying Reference may change suddenly and significantly during the trading day or at the opening of the market. Such change may be positive or negative.

The price of the Securities may include a premium, which includes the cost to the Issuer or its Affiliates of unwinding its hedging positions in relation to the Securities on early redemption or cancellation of the Securities. The calculation of the premium charged to Holders is based on the gap risk associated with the relevant level, value or price of the Underlying Reference(s). The Holder will not receive a refund of this premium if an Automatic Early Redemption Event occurs.

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

#### *Certain Risks Associated with SPS Products*

##### (i) Risks associated with Fixed Percentage Products

Investors receive a fixed return on the Securities. This payout may be used in conjunction with at least one other payout to provide investors with partial or total capital protection.

(ii) Risks associated with Reverse Convertible Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in event occurs.

(iii) Risks associated with Vanilla Products

Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.

(iv) Risks associated with Asian Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s), which is determined using an averaging method. The return will also depend on whether specific features, such as a cap or lock-in, apply.

(v) Risks associated with Auto-callable Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in or knock out features apply. Auto-callable Products include automatic early redemption mechanisms. Depending on the applicable formula, if an automatic early redemption event occurs investors may be exposed to a partial loss of their investment.

(vi) Risks associated with Indexation Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early redemption features apply. Depending on the applicable formula, if an automatic early redemption event occurs investors may be exposed to a partial loss of their investment.

(vii) Risks associated with Ratchet Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the sum of returns determined on a given formula (which can be capped and/or floored).

(viii) Risks associated with Sum Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the weighted sum of returns determined using different payout formulae.

(ix) Risks associated with Option Max Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and is calculated based on the maximum return determined by reference to other payout formulae.

(x) Risks associated with Stellar Products

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

(xi) Risks associated with Driver Products

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

*Risks Associated with FI Products*

(i) Risks associated with Vanilla Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.

(ii) Risks associated with Digital Products

Investors may be exposed to a partial or total loss of their investment. The return on the Securities is fixed, but will be subject to the performance of the Underlying Reference(s). The return is calculated by reference to various mechanisms (including floor or cap conditions and knock-in and/or knock-out features).

(iii) Risks associated with Inflation Products

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

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

*Certain Considerations Associated with Index Securities*

An investment in Index Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying index/indices. Such underlying index may be a well known and widely published index or an index which may not be widely published or available. The index may reference, *inter alia*, equities, bonds, currency exchange rates, or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations, or reference a number of different assets or indices. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change, which may adversely affect the return on the Securities. Index Linked Interest Securities pay interest calculated by reference the value of the underlying index/indices.

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

For the avoidance of doubt, the relevant Issuer and/or its Affiliates may not be able to trade on and hedge its obligations in respect of the index (including custom indices) under the Securities notwithstanding the calculation or publication of the level of such index. In the event that any relevant date for valuation is a Disrupted Day for such index, that valuation date shall be the first succeeding day that is not a Disrupted Day and on which the Issuer or relevant affiliate is able to trade on and hedge its obligations in respect of such index, subject to a specified maximum days of disruption, as more fully set out in the Conditions. Where this

occurs on (i) the Strike Date for valuation, the Calculation Agent will not be able to determine the initial or strike level for the index or (ii) the final date for valuation, the Calculation Agent will not determine the final level for the index until such time as the disruption is no longer subsisting, or the specified maximum days of disruption has elapsed, whichever is sooner. Investors should be aware that any delay to the determination of the final level of the index may result in a delay in the payment of the Final Redemption Amount.

*Certain Considerations Associated with Share Securities*

An investment in Share Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Share Securities, Holders will receive an amount (if any) determined by reference to the value of the share(s), GDRs and/or ADRs and/or the physical delivery of a given number of share(s), GDRs and/or ADRs. Accordingly, an investment in Share Securities may bear similar market risks to a direct equity investment and investors should take advice accordingly. Share Linked Interest Securities pay interest calculated by reference to the value of the underlying share(s), GDRs and/or ADRs.

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

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

*Certain Considerations Associated with ETI Securities*

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

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

In the case of ETI Securities, no exchange traded instrument will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Securities, and none of the Issuer, the Guarantor or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such exchange traded instrument contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms)

that would affect the trading price of the interests in the exchange traded instrument will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an exchange traded instrument could affect the trading price of interests in the exchange traded instruments and therefore the trading price of the Securities. ETI Securities do not provide Holders with any participation rights in the underlying ETI(s) and, except in certain circumstances in the case of Physical Delivery Securities, do not entitle holders of ETI Securities to any ownership interest or rights in such ETI(s).

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

#### *Certain Considerations Associated with Debt Securities*

An investment in Debt Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Debt Securities, Holders will receive an amount (if any) determined by reference to the price or yield of the underlying debt instrument(s) (as specified in the applicable Final Terms) and/or the physical delivery of a given number of debt instrument(s). Accordingly, an investment in Debt Securities may bear similar market risks to a direct debt instrument investment, and investors should take advice accordingly. Debt Linked Interest Securities pay interest calculated by reference to the price or yield of the underlying debt instrument(s) (as specified in the applicable Final Terms).

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

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

Where the Securities are linked to a commodity index, such commodity index may be a well known and widely available commodity index (such as the S&P GSCI®) or a commodity index which may be less well known (such as a commodity index composed by the relevant Issuer) in which case information (including past performance) may be less readily available. The commodity index may be comprised of futures contracts, mono-indices, or other commodity indices, which may be proprietary. Commodity Securities may be linked to a commodity index which may be sponsored and/or calculated by BNP Paribas or one of its Affiliates. Pursuant to the operational rules of the relevant commodity index, the commodity index is scheduled to be calculated on a periodic basis (for example on each weekday). In the event that one of the levels, values or prices of a component included in the commodity index is not available for any reason on a relevant day of calculation including, without limitation, (a) where it is a not a business day in respect of that commodity index component or (b) that commodity index component is subject to a market disruption event, then the calculation agent of the commodity index may, but is not obliged to, calculate the level of the commodity index for the relevant day by taking a value for the affected index component on the first day following the end of a specified maximum days of disruption based on the price at which it is able to sell or otherwise realise any hedge position. Such an occurrence may potentially result in a delay in the publication of the commodity index and the level of the commodity index may be affected.

The relevant Issuer and/or its Affiliates may not be able to hedge its obligations in respect of the commodity index under the Securities notwithstanding the calculation and publication of the level of the commodity index. In the event that a Market Disruption Event is occurring on any relevant date for valuation, that valuation date

will be postponed until the first succeeding day that is not a Commodity Disrupted Day, subject to a specified maximum days of disruption, as more fully set out in the Conditions. Where this occurs on (i) the Initial Pricing Date or Strike Date for valuation, the Calculation Agent will be unable to determine the initial or strike level for the commodity index and (ii) on the final date for valuation, the Calculation Agent will be unable to determine the final level for the commodity index, until either the Market Disruption Event has ceased or the specified maximum days of disruption have elapsed, whichever is sooner. Investors should be aware that any delay to the determination of the final level of the commodity index may result in a delay in the payment of the Cash Settlement Amount, Redemption Amount or Final Redemption Amount, as applicable.

*Certain Additional Considerations Associated with Commodity Securities valued by reference to Futures Contracts or Debt Securities or Index Securities where Futures Price Valuation is specified as applicable*

Financial futures contracts are standardised futures transactions that are linked to financial instruments (e.g. stocks, bonds, indices, interest rates and foreign currencies). Commodity futures contracts are standardised futures transactions that are linked to commodities (e.g. mineral commodities, agricultural products and precious metals). A futures transaction constitutes the contractual obligation to buy or sell a certain amount or number of the respective underlying at a fixed price and at a predetermined future point in time. Futures contracts are traded on futures exchanges and standardised for this purpose with respect to their contract size, the nature and quality of the underlying as well as delivery places and dates, if any. Generally, there is a strong correlation between the price development of an underlying financial instrument or commodity (each or "**underlying**") on the spot market and the corresponding futures exchange. However, the price of a futures contract will generally be traded at a premium on, or discount from, the spot price of the underlying. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g. in the case of commodities, warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the underlying, there can be significant differences in the liquidity of the spot and the futures markets.

Investment in futures contracts involves certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain exchanges limit fluctuations in such futures contract prices pursuant to "daily limits". Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, contracts can neither be bought nor sold unless holders are willing to trade at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. For example, futures contract prices in various underlyings occasionally exceed the daily limit for several days with little or no trading. Such losses could have an adverse effect on the return of Securities linked to the affected futures contracts. Any illiquidity disruption or force majeure event (such as an act of God, fire, flood, severe weather conditions, act of governmental authority or a labour dispute or shortage) is likely to have an adverse affect on the value of or trading in the underlying or futures contracts on such underlying and adversely affect the value of the Securities.

Where the Securities are linked to the exchange price of a futures contract, knowledge of the market of the underlying to which the futures contract is linked as well as of the functioning and evaluation factors of futures contracts is necessary to make a valid assessment of the risks associated with the purchase of these Securities.

In the case of Debt Securities or Index Securities where Futures Price Valuation is applicable, the Securities are exposed to a futures or options contract relating to a synthetic debt instrument (in the case of Debt Securities) or an index (in the case of Index Securities) and bear similar market risks to a direct investment in such futures or options contract.

*Certain Additional Considerations Associated with Rolling Futures Contract Securities*

Futures contracts have a predetermined expiration date. Holding a futures contract until expiration will result in delivery of the physical underlying or the requirement to make or receive a cash settlement amount. Rolling Futures Contract Securities are valued by reference to futures contracts that have a delivery or expiry month that do not correspond with the term of the Securities. Consequently the futures contracts are "rolled" which means that the futures contract that is nearing expiration (the "**near-dated futures contracts**") is sold before it expires and a futures contract that has an expiration date further in the future (the "**longer-dated futures contracts**") is purchased ("**Rolling**"). In order to maintain an ongoing exposure to such underlyings Rolling of the applicable futures contracts is applied.

An investment in futures contracts where the future is a commodity may increase or decrease through Rolling. Where the price of a near-dated futures contract is greater than the price of the longer-dated futures contract (the underlying is said to be in "**backwardation**"), then Rolling from the former to the latter will result in greater exposure to the longer-dated futures contract. Therefore, any loss or gain on the new positions will be greater than if an investor had synthetically held the same number of underlying contracts as before the Rolling. Conversely, where the price of the near-dated futures contract is lower than the price of the longer-dated futures contract (the underlying is said to be in "**contango**") then Rolling will result in less exposure to the longer-dated futures contract. Therefore, any gain or loss on the new positions will be less than if an investor had synthetically held the same number of underlying contracts as before the Rolling.

Depending on whether the Securities are synthetically "long" or "short" the relevant futures contract, where a futures contract is in contango, this is expected to (though may not) have a negative (in the case of a "long" position) or positive (in the case of a "short" position) effect over time on the value of the Securities. Where a futures contract is in backwardation this is expected to (though may not) have a positive (in the case of a "long" position) or negative (in the case of a "short" position) effect over time on the value of the Securities. Where an underlying contract is in contango, then the price of the longer-dated underlying contract will be expected to (but may not) decrease over time as it nears expiry. In such event, Rolling is expected to have a negative effect (in the case of a "long" position) or positive (in the case of a "short" position) on an investment in the underlying contract. Where an underlying contract is in backwardation, then the price of the longer-dated underlying contract is expected to (but may not) increase over time as it nears expiry. In such event, Rolling is expected to have a positive (in the case of a "long" position) or negative (in the case of a "short" position) effect on an investment in the underlying contract.

If, on any Futures Rollover Date (as defined below), a Market Disruption Event (as defined in Commodity Security Condition 2), a Commodity Index Adjustment Event (as defined in Commodity Security Condition 4) or a Non-Commencement or Discontinuance of the Exchange-traded Contract (as defined in Index Security Condition 9.1 or Debt Security Condition 6), as applicable, occurs and it is impossible or materially impracticable for the Calculation Agent to select a futures contract and/or at such time hedge the relevant Issuer's obligations in respect of the Securities then:

- (i) in the case of an Index Security or Debt Security that is a Rolling Futures Contract Security:
  - (a) unless Delayed Redemption on Occurrence of Index Adjustment Event (in the case of Index Securities) or Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract (in the case of Debt Securities) is specified as being applicable in the applicable Final Terms, the relevant Issuer may redeem the Notes by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the relevant Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case

of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, provided that, if the Securities are Italian Listed Securities, the amount payable to each Holder in respect of the Security being redeemed shall be the Early Redemption Amount all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or

- (b) if Delayed Redemption on Occurrence of Index Adjustment Event (in the case of Index Securities) or Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract (in the case of Debt Securities) is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract less, except in the case of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements provided that if the Securities are Italian Listed Securities, the Calculation Agent shall calculate the Early Redemption Amount (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, at its Protected Amount (as specified in the applicable Final Terms); or
- (ii) in the case of a Commodity Security that is a Rolling Futures Contract Security, the relevant Issuer may take such actions as described in Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Security Condition 4 (Adjustments to a Commodity Index), as applicable (see "*Market Disruption Events relating to Commodity Securities*" and "*Adjustment Events relating to Commodity Index Securities*" below).

Rollover ("**Rollover**") will be effected on the relevant day specified in the applicable Final Terms or the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the Futures Rollover Period specified in the applicable Final Terms (the "**Futures Rollover Date**") within a certain time frame shortly before the expiration date of the current futures contract. Consequently on any Futures Rollover Date, the relevant Issuer will liquidate its positions assumed through the corresponding hedging arrangements in relation to the existing futures contract whose expiration is imminent and will assume corresponding positions in relation to a new futures contract having identical terms but with a different maturity selected by it acting in good faith and in a commercially reasonable manner.

At each Rollover there may be expenses incurred in replacing the futures contract which may have an adverse effect on the return on the Securities.

Prospective purchasers should be aware that in respect of Rolling Futures Contract Securities, the price difference between the futures involved in each Rollover may have a negative effect on the value of the securities and in the long term be higher than the positive performance of the underlying and result in a total loss of the investment in the Securities. Rolling Futures Contract Securities may not be suitable for investors who intend to invest medium to long term.

#### *Certain Considerations Associated with Inflation Index Securities*

An investment in Inflation Index Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Inflation Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying inflation index/indices. Inflation Index Linked Interest Securities pay interest calculated by reference to the value of the underlying inflation index/indices.

#### *Certain Considerations Associated with Currency Securities*

An investment in Currency Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Currency Securities, Holders will receive an amount (if any) determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Accordingly, an investment in Currency Securities may bear similar market risks to a direct currency investment, and investors should take advice accordingly. Currency Linked Interest Securities pay interest calculated by reference to the value of the underlying currency/currencies.

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

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

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

An investment in Fund Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Fund Securities, Holders will receive an amount (if any) determined by reference to the value of the fund shares and/or the physical delivery of a given number of fund shares or units. Accordingly, an investment in Fund Securities may bear similar market risks to a direct fund investment, and investors should take advice accordingly. Fund Linked Interest Securities pay interest calculated by reference to the value of the underlying fund shares or units. The price of units or shares in a fund may be affected by the performance of the fund service providers, and in particular the investment adviser.

No Fund Service Provider will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Fund Securities, and none of the Issuer, the Guarantor or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of fund shares or units contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the fund shares or units will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of fund shares or units could affect the trading price of the fund shares or units and therefore the trading price of the Securities. Fund

Securities do not provide Holders with any participation rights in the underlying Fund(s) and except in certain circumstances in the case of Physical Delivery Securities, do not entitle holders of Fund Securities to any ownership interest or rights in such Fund(s).

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

#### *Certain Considerations Associated with Futures Securities*

An investment in Futures Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Futures Securities, Holders will receive an amount (if any) determined by reference to the value of the futures contract or basket of futures contracts. Accordingly, an investment in Futures Securities may bear similar market risks to a direct futures contract investment, and investors should take advice accordingly. Futures Linked Interest Securities pay interest calculated by reference to the value of the underlying futures contract or basket of futures contracts.

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

The Issuers may issue Notes ("**Credit Securities**") where the amount payable is dependent upon whether certain events ("**Credit Events**") have occurred in respect of one or more Reference Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities. Credit Securities are Notes in respect of which the relevant Issuer has effectively bought protection on one or more Reference Entities from the Holders and payments on such Notes and/or such Issuer's obligation is to deliver certain specified assets, will depend on the occurrence of a Credit Event with respect to such Reference Entities.

The price of such Notes may be volatile and will be affected by, amongst other things, the time remaining to the maturity date and the creditworthiness of the Reference Entities, which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

In purchasing Credit Securities, investors assume credit exposure to both the specified Reference Entity or Reference Entities and the Issuer (and the Guarantor) of the Credit Securities. The credit risk to investors may further be increased if the specified Reference Entity or Reference Entities are concentrated in the same industry sector or geographic area as the Issuer (or the Guarantor).

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

The relevant Issuer's obligations in respect of Credit Securities are irrespective of the existence or amount of the relevant Issuer's and/or any Affiliates' credit exposure to a Reference Entity, and the relevant Issuer and/or any Affiliate need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

*A Credit Event may occur prior to the Trade Date*

Holders of Credit Securities may suffer a loss of some or all of the redemption amount of the Notes in respect of one or more Credit Events that occur prior to the Trade Date or the Issue Date, if the Credit Event Backstop Date is specified as a date falling prior to such date. Accordingly, the Holder of Credit Securities will be exposed to the risk of the occurrence of any Credit Event after the applicable Credit Event Backstop Date even if it occurs prior to the Issue Date, which may be several weeks after the Trade Date. If the Reference Entity suffers a Credit Event prior to the Issue Date (or if the Credit Event Backstop Date is specified as a date falling on or after the Issue Date, on or after such date), and a Credit Event Notice, and a Notice of Publicly Available Information (if applicable) are properly delivered, which may occur on or shortly after the Issue Date of the Notes, such Notes will be subject to exercise, at or shortly after the Issue Date. No interest will accrue on such Notes. Neither the Calculation Agent or the relevant Issuer nor any of their respective Affiliates has any responsibility to inform any Holder, or avoid or mitigate the effects of a Credit Event that has taken place prior to the Trade Date or the Issue Date.

*Increased credit risks associated with Nth-to-Default Credit Securities*

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

*Holders Increased risks associated with Tranched Credit Securities*

Tranched Credit Securities create leveraged exposure to the credit risk of the Reference Entities as the implicit portfolio size or size of the aggregate notional amount of the Reference Portfolio is significantly larger than the aggregate nominal or notional amount of the Credit Securities. Investors can lose a significant part or all of their investment even if a Credit Event occurs in respect of only one or a few of the Reference Entities comprising the Reference Portfolio. The value of the Tranched Credit Securities may be more volatile and credit losses in respect of the Tranched Credit Securities may be greater than would be the case in the absence of such leverage. The value of the Tranched Credit Securities may also be adversely affected by changes in the relative value of different tranches of credit risk on the Reference Portfolio. Such relative value changes may occur as a result of, for example, changes in assumptions by market participants to model the credit risk of the Reference Portfolio, correlation between the Reference Entities, as well as changes in the supply of and demand for credit protection in relation to each such tranche are exposed to risk on Reference Entities.

The holders of Credit Securities will be exposed to the credit risk of one or more Reference Entities, which exposure shall be to the full extent of their investment in such Credit Securities. Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Holders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. However, the holding of a Credit Security is unlikely to lead to outcomes which exactly reflect the impact of investing in an obligation of a Reference Entity, and losses could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. Holders should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where Cash Settlement or Auction Settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a redemption of the Notes in a reduced redemption amount or at zero, and, (if applicable) in a reduction of the amount on which interest is calculated. Where Physical Settlement applies, the occurrence of a Credit Event may result in the redemption of the Notes based on the

valuation (or by delivery) of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

*Issuer and Calculation Agent will act in their own interests*

Each of the Issuer and the Calculation Agent will exercise its rights under the terms of the Credit Securities, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or in respect of the Notes, delivery, in its own interests and those of its Affiliates, and not in the interests of investors in the Notes. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the lowest possible market value for valuation, may result in an increased credit loss for holders of the Credit Securities. The exercise of such discretion by the Issuer or Calculation Agent could adversely affect (i) the value of the amount in cash, if any, which will be paid in respect of any Notes on the applicable redemption date, if any, or (ii) the market value of the portfolio of obligations the relevant Issuer will Deliver.

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

*Actions of Reference Entities may affect the value of the Credit Securities*

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Credit Securities. Holders of the Credit Securities should be aware that the Reference Entities to which the value of the Notes is exposed, and the terms of such exposure, may change over the term of the Notes.

*Suspension of Obligations will suspend payment of principal and interest*

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

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

Where the Credit Securities are redeemed following the occurrence of a Credit Event by reference to an auction sponsored by ISDA, the relevant Issuer or its Affiliates may act as a participating bidder in any such auction and, in such capacity, may take certain actions which may influence the Auction Final Price including (without limitation) submitting bids, offers and physical settlement requests with respect to the obligations of the Reference Entity. If the relevant Issuer or its Affiliates participate in an Auction, then they will do so without regard to the interests of Holders, and such participation may have a material adverse effect on the

outcome of the relevant Auction and/or on the Credit Securities. Holders will have no right to submit bids and/or offers in an Auction.

The Auction Final Price determined pursuant to an auction may be greater than the market value that would otherwise have been determined in respect of the specified Reference Entity or its obligations. In particular, the Auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. Auctions may be conducted by ISDA or by a relevant third party. Neither the Calculation Agent, the relevant Issuer nor any of their respective Affiliates has any responsibility for verifying that any auction price is reflective of current market values, for establishing any auction methodology or for verifying that any auction has been conducted in accordance with its rules. The relevant Issuer will have no responsibility to dispute any determination of an Auction Final Price or to verify that any Auction has been conducted in accordance with its rules.

Following an M(M)R Restructuring Credit Event in relation to which ISDA sponsors multiple concurrent auctions, but where there is no relevant auction relating to credit derivative transactions with a maturity corresponding to the Credit Securities, if the Calculation Agent exercises the right of the buyer or, as the case may be, seller of credit risk protection under the Credit Securities to elect that the Auction Final Price is determined by reference to an alternative Auction, the Auction Final Price so determined may be lower than the amount which would have been determined based on quotations sought from third party dealers, thereby reducing the amount payable to Holders.

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

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

*"Cheapest-to-Deliver" risk*

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

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

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

*Asset Package Delivery risks*

The 2014 Definitions introduced the concept of asset package delivery. In certain circumstances where (a) "Financial Reference Entity Terms" and "Governmental Intervention" applies in respect of a Reference Entity and (i) there is a Governmental Intervention Credit Event; or (ii) a Restructuring Credit Event in respect of the Reference Obligation where such Restructuring does not constitute a Governmental Intervention or (b) a Restructuring Credit Event in respect of a Sovereign, then a related asset package resulting from a prior deliverable obligation (where "Financial Reference Entity Terms" apply) or package observable bond (where the Reference Entity is a sovereign) may also be deliverable. The asset package would be treated as having the same outstanding principal as the corresponding prior deliverable obligation or package observable bond.

If the resulting asset package is deemed to be zero where there are no resulting assets, the related credit loss will be 100 per cent. notwithstanding the recovery value on any other obligations of the Reference Entity.

The risk factors "*Use of Auction Settlement may adversely affect returns to Holders*" and "*Use of Cash Settlement may adversely affect returns to the Holder*" above would apply to any asset or asset package.

If an asset in the asset package is a non-transferable instrument or non-financial instrument, the value of such asset will be the market value determined by reference to a specialist valuation or in accordance with methodology determined by the Credit Derivatives Determinations Committees. See "*Conflicts of Interest - Credit Derivatives Determinations Committees*" and "*Rights associated with Credit Derivatives Determinations Committees*" for risk factors relating to valuation in accordance with CDDC methodology.

*Increased risks where a specified Final Price is applicable*

Where a Final Price is specified in the Final Terms as being zero, if a Credit Event occurs in respect of a Reference Entity, investors will automatically lose an amount in principal or notional amount of the Credit Security equal to the portion of the Credit Security which is allocated to the credit risk of the affected Reference Entity. Investors should note that, in such circumstances, the Auction Final Price, Weighted Average Final Price or Final Price (which would otherwise apply) or the recovery on any investments in bonds or other instruments issued by such Reference Entity will be higher (and may be significantly higher) than the zero recovery value ascribed to such Reference Entity under the Notes. If any other Final Price is specified in the Final Terms in relation to Credit Securities, such fixed Final Price may be lower (and may be significantly lower) than the recovery which an investor in bonds or instruments issued by such Reference Entity would receive. Furthermore, where a specified Final Price is applicable, the market value of the Credit Securities may not reflect the market value of a credit default swap on the Reference Entity or any other products linked to or issued by the Reference Entity which may be significantly higher.

*The Issuer and Calculation Agent are not obliged to disclose information on Reference Entities*

The relevant Issuer and the Calculation Agent are not obliged to disclose to holders of the Notes any information which they may have at the Issue Date or receive thereafter in relation to any Reference Entity.

*The value of the Credit Securities may be adversely affected by Illiquidity or Cessation of Indices*

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

*Historical performance may not predict future performance*

Individual Reference Entities may not perform as indicated by the historical performance of similar entities and no assurance can be given with respect to the future performance of any Reference Entities. Historical default statistics may not capture events that would constitute Credit Events for the purposes of the Credit Securities.

### *Limited provision of information about the Reference Entities*

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

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

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

Prospective investors should note that in certain circumstances, there may be no requirement for the relevant Issuer to give information which is generally publicly available in relation to the occurrence of a Credit Event. If a Credit Event occurs in respect of an Obligation of a Reference Entity which is not public, Holders of the Credit Securities may not be able to verify the occurrence of such Credit Event.

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

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

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

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

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

Holders may have no recourse against either the institutions serving on a Credit Derivatives Determinations Committee or the external reviewers. Institutions serving on a Credit Derivatives Determinations Committee and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on a Credit Derivatives Determinations Committee do not

owe any duty to the Holders and the Holders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

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

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

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

#### *Multiple Auctions Following Restructuring Credit Event*

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

#### *The Calculation Agent may modify the terms of the Credit Securities*

The Calculation Agent may, following its determination that there has been a change in the prevailing market standard terms or market trading conventions that affects any hedging transaction, modify the terms of the Credit Securities to the extent reasonably necessary to ensure consistency with the prevailing market standard terms or market trading conventions, without the consent of Holders or prior notice to Holders. The Calculation Agent is not obliged to make any such modifications. If the Calculation Agent modifies the terms of the Credit Securities, it will do so without regard to the interests of the holders of the Credit Securities and any such modification may be prejudicial to the interests of the holder of the Credit Securities.

#### *Certain Considerations Associated with Hybrid Securities*

- 4. An investment in Hybrid Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption of Hybrid Securities Holders will receive an amount (if any) determined by reference to the value of a number of different Underlying References. Hybrid Linked Interest Securities pay interest calculated by reference to the value of a number of different Underlying References. Additional Factors relating to certain Underlying References**

#### *Certain Considerations Associated with Securities linked to ETIs*

ETI Securities linked to one or more interest in exchange traded instruments reflect the performance of such interest in exchange traded instruments.

An exchange traded instrument may invest in and trade in a variety of investments and financial instruments using sophisticated investment techniques for hedging and non-hedging purposes. Such financial instruments and investment techniques may include, but are not limited to, the use of leverage, short sales of securities, derivative transactions, such as swaps, stock options, index options, futures contracts and options on futures, lending of securities to certain financial institutions, entry into repurchase and reverse repurchase agreements for securities and the investment in foreign securities and foreign currencies.

The amount payable on ETI Securities will be dependent on the performance of the relevant ETI(s) underlying the ETI Securities, which may be linked to the reported NAV per ETI Interest, the trading price available on an exchange for the relevant ETI Interest and/or the actual redemption proceeds the Hedge Provider or a hypothetical investor in the relevant ETI(s) would receive. The amount payable on the ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s) and may be zero.

Unlike Funds, exchange traded instruments are not actively managed. The value of an interest in an exchange traded instrument will decline, more or less, in line with the decline of any securities or the value of any index underlying or linked to the relevant exchange traded instrument. Exchange traded instruments involve risks similar to those of investing in any equity securities traded on an exchange, such as market fluctuations caused by, amongst other things, economic and political developments, changes in interest rates and perceived trends in prices of securities. Where the relevant exchange traded instrument is linked to a particular index, the return on such exchange traded instrument may not match the return of the particular index.

Potential investors in ETI Securities should be aware that none of the relevant Issuer, the Guarantor or the Calculation Agent have any control over investments made by the relevant exchange traded instrument(s) and in no way guarantee the performance of an exchange traded instrument or the amount payable to holders of ETI Securities.

In hedging the relevant Issuer's obligations under the ETI Securities, the Hedge Provider is not restricted to any particular hedging practice. Accordingly, the Hedge Provider may hedge its exposure using any method it, in its sole discretion, deems appropriate, including, but not limited to, investing in the relevant exchange traded instrument(s), replicating the performance of the relevant exchange traded instrument(s) or holding any of the assets underlying the relevant exchange traded instrument(s). The Hedge Provider may perform any number of different hedging practices with respect to ETI Securities.

Investing directly or indirectly in interests in exchange traded instruments is generally considered to be risky. If the exchange traded instrument does not perform sufficiently well, the value of the Securities will fall, and may in certain circumstances be zero.

Prospective investors should review carefully the prospectus, information memorandum and/or offering circular (if any) issued by any relevant exchange traded instrument before purchasing any ETI Securities. None of the relevant Issuer, the Guarantor, the Calculation Agent or any of their respective Affiliates make any representation as to the creditworthiness of any relevant exchange traded instrument or any such exchange traded instrument's administrative, custodian, investment manager or adviser.

#### *Certain Considerations Associated with Securities linked to Funds*

Where an Issuer issues Fund Securities linked to one or more Funds, including Hedge Funds, Mutual Funds or Private Equity Funds, the relevant Securities reflect the performance of such fund(s).

Funds may trade and invest in a broad range of investments and financial instruments using sophisticated investment techniques for hedging and non-hedging purposes such as debt and equity securities, commodities and foreign exchange and may enter into derivative transactions, including, without limitation, futures, swaps

and options. Such financial instruments and investment techniques may also include, but are not limited to, the use of leverage, short sales of securities, transactions that involve the lending of securities to financial institutions, the entry into repurchase and reverse repurchase agreements for securities and the investment in foreign securities and foreign currencies. While these investment strategies and financial instruments provide the investment manager and/or adviser of a Fund the flexibility to implement a range of strategies in an attempt to generate positive returns for the Fund, they also create the risk of significant losses that may adversely affect the value of the Fund and therefore the return on the Fund Securities. Potential investors should be aware that none of the relevant Issuer, the Guarantor or the Calculation Agent have any control over investments made by a Fund and therefore in no way guarantee the performance of a Fund and therefore the amount due to Holders on redemption of the Fund Securities. Funds may often be illiquid and may only be traded on a monthly, quarterly or even less frequent basis. The trading strategies of Funds are often opaque. Funds, as well as the markets and instruments in which they invest, are often not subject to review by governmental authorities, self-regulatory organisations or other supervisory authorities.

The amount payable on Fund Securities will be dependent on the performance of the relevant Fund(s) underlying the Fund Securities, which may be linked to the reported NAV per Fund Share and/or the actual redemption proceeds the Hedge Provider or a hypothetical investor in the relevant Fund(s) would receive. The amount payable on the Fund Securities may be less than the amount payable from a direct investment in the relevant Fund(s). In certain circumstances, a Fund may continue reporting a NAV per Fund Share, but the Hedge Provider or a hypothetical investor may not be able to realise their investment in the relevant Fund(s) at such reported NAV per Fund Share. In such a case, the return on the Fund Securities may be less and in certain circumstances may be significantly less than the reported performance of the relevant Fund(s) and may be zero.

A Fund may be established as part of a master-feeder fund structure. Generally, a master-feeder fund structure involves the incorporation of a "master" fund company into which separate and distinct "feeder" funds invest. Active management of any investment strategy is, generally, performed at the master fund level. In instances where the Fund(s) underlying the relevant Fund Securities are "feeder" funds, the Extraordinary Fund Events (see "*Other Events relating to Fund Securities*" below) extend to include the "master" fund and its service providers. In conducting their own due diligence of the relevant Fund(s), prospective investors should pay particular attention to whether the relevant Fund(s) are established as part of a master-feeder fund structure.

In hedging the relevant Issuer's obligations under the Fund Securities, the Hedge Provider is not restricted to any particular hedging practice. Accordingly, the Hedge Provider may hedge its exposure using any method it, in its sole discretion, deems appropriate, including, but not limited to, investing in the relevant Fund(s), replicating the performance of the relevant Fund(s) or holding any of the assets underlying the relevant Fund(s). The Hedge Provider may perform any number of different hedging practices with respect to Fund Securities.

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

#### *Certain Considerations Associated with Securities Linked to Emerging Markets*

Each Issuer may issue Securities where the amount payable on exercise or redemption or the interest payable is linked to Underlying References which consist of (i) securities, funds or indices comprising securities of issuers that are located in, or subject to regulation in, emerging or developing countries, or (ii) securities which are denominated in the currency of, or are traded in, emerging or developing countries or (iii) currencies of emerging or developing countries. Prospective investors should note that additional risks may be associated with investment in such Securities, including risks associated with political and economic uncertainty, adverse

governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in some such markets may be slower and more subject to failure than in markets in developed countries.

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

Prospective purchasers of the Securities should also be aware that the probability of the occurrence of a Hedging Disruption Event (or other Adjustment Event under the relevant legal terms as set out further in the Security Conditions) and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets. Prospective purchasers are expected to conduct their own enquiries and be satisfied that there are additional risks associated with investments linked to the performance of underlying assets located in these markets.

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

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

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

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

BNPP B.V. may issue Secured Securities. The risk factors set out in this paragraph 4 do not apply to Secured Securities which are Nominal Value Repack Securities. See paragraph 6 below for the risk factors which apply to Secured Securities which are Nominal Value Repack Securities.

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

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

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

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

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

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

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

Where Nominal Value Collateralisation or Partial Nominal Value Collateralisation applies to a series of Secured Securities, there is likely to be a difference between the marked to market value of the Secured Securities and the marked to market value of the Collateral Assets in the relevant Collateral Pool. As a consequence, if the security created under the relevant Pledge Agreement is enforced, the amounts available for distribution by the Collateral Agent in respect of a series of Secured Securities to which Nominal Value Collateralisation or Partial Nominal Value Collateralisation applied may be less than the Security Termination Amount payable in respect of each such Secured Security, where such Security Termination Amount is calculated by reference to the marked to market value of such Secured Securities, due to the fact that only the nominal value or part thereof in respect of the relevant Secured Securities is intended to be secured by the relevant Collateral Pool.

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

Where the Collateral Asset for a Collateral Pool is comprised of a cash deposit and where MTM Collateralisation or Partial MTM Collateralisation is applicable, the Collateral Calculation Agent will calculate the marked to market value of the Secured Securities (excluding any Secured Securities that are beneficially owned by BNPP B.V. or any of its Affiliates) (taking into account all factors which the Collateral Calculation Agent deems relevant) on such periodic basis as is specified in the applicable Final Terms. Any cash deposit will not be valued on a Collateral Valuation Date. Unless the applicable Final Terms specify that there will be no adjustments to the amount of Collateral Assets or that there are no Collateral Valuation Dates, in the event that on a Collateral Valuation Date, there is a difference between the amount of cash standing to the credit of the Collateral Account (the "**Deposit Amount**") and the relevant Securities Value, BNPP B.V. will procure that further cash is deposited into the relevant Collateral Account if the Deposit Amount is less than the Securities Value or will be entitled to withdraw cash from the Collateral Account if the Deposit Amount is in excess of the Securities Value prior to such adjustment. Following any such adjustment to the Deposit Amount on any Collateral Valuation Date, the Deposit Amount is expected to be equal to the Securities Value. Investors, nevertheless, will be exposed to the difference between the marked to market value (or part thereof) where MTM Collateralisation or Partial MTM Collateralisation is applicable for the Secured Securities and the Deposit Amount prior to such adjustment.

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

*No Shortfall*

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

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

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

### *No adjustments to a Collateral Pool*

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

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

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

### *Collateral management and Collateral Agent*

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

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

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

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

A haircut is the percentage by which the market value of a Collateral Asset is discounted and is designed to mitigate potential depreciation in value of the relevant Collateral Asset in the period between the last valuation of the Collateral Asset and the realisation of such Collateral Asset, such period being known as the 'cure period' or 'holding period'. The haircut should account for the expected volatility of an instrument and discount its value by an amount that reflects the expected maximum price movement within the cure or holding period. The length of this period will be subjectively determined by the Collateral Calculation Agent and reflects the likely length of time that a Collateral Asset would be held before realisation occurs, taking into

consideration factors such as contractual timings, the time required for internal decision-making and any legally-mandated stay period. The Final Terms will specify whether or not a haircut applies to a Collateral Pool but will not provide any further information as to the level of any haircut applied to the Collateral Assets in any Collateral Pool. Since the volatility of the value of a Collateral Asset may change through time, haircuts applied to the Collateral Assets may become outdated and may not provide suitable protection against a Shortfall.

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

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

#### *Cross default*

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

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

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

#### *Illiquid Collateral Assets*

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

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

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

### *Failure to comply with collateral obligations*

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

### *Nature of security*

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

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

### *Enforcement of the security*

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

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

In addition to the risks relating to Additional Disruption Events described in this Base Prospectus, further Additional Disruption Events will apply to Secured Securities which may increase the possibility of the Secured Securities being redeemed or cancelled early. These further Additional Disruption Events are Increased Cost of Collateral Assets and Collateral Disruption. In the event that BNPP B.V. and/or any of its Affiliates (i) would incur materially increased costs (as compared with the circumstances existing on the Trade Date relating to the relevant Secured Securities) in acquiring, borrowing or disposing of Collateral Assets or establishing, maintaining or unwinding any transaction entered into by BNPP B.V. and/or any of its Affiliates relating to the Collateral Assets or (ii) are unable, after using commercially reasonable efforts, to (a) acquire, establish, unwind or dispose of any transaction(s) or assets or any futures or option contracts it deems necessary to obtain Collateral Assets (b) acquire or substitute Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market) or (c) freely realise, recover, receive, or transfer the proceeds of any such transaction(s), assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market), BNPP B.V. may in its sole and absolute discretion redeem or cancel, as applicable, all of the relevant Secured Securities.

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

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

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

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

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

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

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

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

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

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

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

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

### *Physical Delivery of Collateral*

If Physical Delivery of Collateral is specified in respect of a series of Secured Securities upon enforcement of the Pledge Agreement, the Collateral Agent will not sell the Collateral Assets which are subject to such physical delivery (unless there is a Collateral Settlement Disruption Event) but will deliver the Collateral Assets in the manner set out in the Collateral Security Conditions. In such cases, although the Collateral Assets will be sufficient to pay investors an amount equal to the Nominal Value or Partial Nominal Value of the Secured Securities (as applicable) on their scheduled Maturity Date, investors wishing to sell the Collateral Assets before such date may not be able to realise the same value on the secondary market prior to the Maturity Date and the price of the Collateral Assets will be subject to change according to market conditions.

### *Collateral Settlement Disruption Event*

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

### *Scope of guarantee*

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

### *Collateral Security Credit Securities*

The risk factors set out in the Base Prospectus relating to Credit Securities shall also apply to Collateral Security Credit Securities and, for such purpose, any reference in those risk factors to Credit Securities and Credit Securities shall be deemed to be a reference to Collateral Security Credit Securities.

### *Collateral Realisation Delay*

Where the Collateral Custodian is Euroclear Bank SA/NV, the Collateral Assets will be transferred into a "Single Pledgor Pledged Account" (the "SPPA") in the Euroclear System, which account will be secured in favour of the Collateral Agent (for its own account and for the account of Holders) pursuant to a Belgian law pledge. The SPPA will be opened in the name of BNP Paribas, which will act in the capacity as "Representative" of the Collateral Agent. Notwithstanding the occurrence of an Event of Default, Euroclear (the Collateral Custodian) will take instructions only from BNP Paribas and not from the Collateral Agent. In such circumstances it is likely that BNP Paribas will be insolvent and therefore the Collateral Agent will need to instruct the relevant insolvency practitioner to realise the Collateral Assets or to transfer these to an account in the name of the Collateral Agent. This process may significantly delay the realisation of the Collateral Assets and the distribution of the Realisation Proceeds to Holders, during which time the value of the Collateral Assets may be subject to fluctuations.

## **6. Additional Risks Associated with Collateral Asset Linked Securities**

### *Additional Risks Associated with Secured Securities*

The risk factors set out in the Base Prospectus relating to Secured Securities apply to Collateral Asset Linked Securities, save that the following risk factors are not applicable: "Adjustments to Collateral Pool where Collateral Assets are securities", "Adjustments to Collateral Pool where the Collateral Asset is a cash deposit", "Early redemption at the option of BNPP B.V. upon a Collateral Asset Default", "Early redemption at the option of BNPP B.V. upon a Collateral Asset Issuer Default" and "Physical Delivery of Collateral".

### *Credit risk on the Reference Collateral Asset Issuer*

Upon the occurrence of any Collateral Asset Default or Collateral Default Event, the Holders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Collateral Asset Issuer. However, the holding of a Collateral Asset Linked Security is unlikely to lead to outcomes which exactly reflect the impact of directly investing in the Reference Collateral Assets, and losses could be considerably greater than would be suffered by a direct investor in the Reference Collateral Assets and/or could arise for reasons unrelated to such Reference Collateral Assets. Holders should also note that a Collateral Asset Default or Collateral Default Event may occur even if the obligations of the Reference Collateral Asset Issuer under the Reference Collateral Assets are unenforceable or their performance are prohibited by any applicable law or exchange controls.

### *Actions of Reference Collateral Asset Issuer*

Actions of the Reference Collateral Asset Issuer (for example, the repayment or transfer of indebtedness) may adversely affect the value of the Collateral Asset Linked Securities.

### *No confidential information*

BNPP B.V. and the Calculation Agent are not obliged to disclose to holders of the Collateral Asset Linked Securities any confidential information which they may have at the Issue Date or receive thereafter in relation to the Reference Collateral Asset Issuer or the Reference Collateral Assets.

### *Compounding of risks*

Various risks relating to the Collateral Asset Linked Securities may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Collateral Asset Linked Securities and/or in increased losses for holders of the Collateral Asset Linked Securities.

### *Historical performance may not predict future performance*

The Reference Collateral Assets may not perform as indicated by the historical performance of similar obligations issued by the Reference Collateral Asset Issuer and no assurance can be given with respect to the future performance of the Reference Collateral Assets. Historical default statistics may not capture events that would constitute Collateral Asset Defaults or Collateral Default Events for the purposes of the Collateral Asset Linked Securities.

### *Consultation Period*

Where a Distributor is specified in the applicable Final Terms for a series of Collateral Asset Linked Securities and a Collateral Asset Default or Collateral Default Event, as applicable, may have occurred, the Calculation Agent will consult with the Distributor as to whether a Collateral Asset Default or Collateral Default Event, as applicable, has occurred for a period of up to five Business Days. If the Calculation Agent and the Distributor do not agree whether a Collateral Asset Default or Collateral Default Event, as applicable, has occurred, the

Calculation Agent will obtain the views of three participants in the relevant market for the Reference Collateral Assets as to whether a Collateral Asset Default or Collateral Default Event, as applicable, has occurred. If a Collateral Asset Default or Collateral Default Event, as applicable, has occurred, the requirement to consult with the Distributor and, potentially, with market participants could lead to a delay in BNPP B.V. redeeming the Collateral Asset Linked Securities and as a consequence Holders may potentially suffer a loss if the value of the Option and/or the Reference Collateral Assets decline in the period when the relevant consultation(s) is taking place.

*Limited provision of information about the Reference Collateral Assets*

Investors should conduct their own investigation and analysis with respect to the creditworthiness of the Reference Collateral Asset Issuer and the likelihood of the occurrence of a Collateral Asset Default or Collateral Default Event, as applicable.

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

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

*Adjustments to amount of MTM Adjustable Assets in Collateral Pool (MTM Collateralisation Element)*

The following risk factor applies in respect of Collateral Asset Linked Securities other than where MTM Adjustable Assets are specified as being "not applicable". BNP Paribas Arbitrage S.N.C. as the Collateral Calculation Agent will calculate the marked to market value of the portion of the Option that relates to Secured Securities that are held by parties other than BNPP B.V. or any of its Affiliates (such securities, the "**Placed Secured Securities**") and the marked to market value of the MTM Adjustable Assets in the relevant Collateral Pool (taking into account all factors which the Collateral Calculation Agent deems relevant) on every Collateral Valuation Date, provided that no account will be taken of the financial condition of (i) BNPP B.V. which shall be presumed to be able to perform fully its obligations under the Secured Securities or (ii) the relevant Guarantor which shall be presumed to be able to perform fully its obligations under the Guarantee.

In the event that on the relevant Collateral Valuation Date there is a difference between (a) the marked to market value of the MTM Adjustable Assets in the relevant Collateral Pool (the "**Collateral Value**") and (b) the sum of, in respect of each series of Secured Securities secured by such Collateral Pool, the marked to market value of the portion of the Option that relates to Placed Secured Securities (such sum the "**Securities Value**"), BNPP B.V. will procure that further MTM Adjustable Assets are delivered to the Collateral Account (or substitute existing MTM Adjustable Assets with MTM Adjustable Assets with a greater value) if the Collateral Value is less than the Securities Value or will be entitled to remove MTM Adjustable Assets from the Collateral Account if the Collateral Value is in excess of the Securities Value prior to such adjustment. Following any such adjustment in respect of MTM Adjustable Assets on any Collateral Valuation Date, the Collateral Value is expected to be equal to the Securities Value prior to such adjustment. Investors, nevertheless, will be exposed to the difference between the Securities Value and the Collateral Value prior to any such adjustment.

In the event that BNPP B.V. is required to deliver additional MTM Adjustable Assets or alternative MTM Adjustable Assets, BNPP B.V. shall do so as soon as practicable following the relevant Collateral Valuation Date. There may be a delay between the Collateral Valuation Date and the date on which BNPP B.V. is able to deliver such additional or alternative MTM Adjustable Assets and investors will be exposed to the difference between the marked to market value of the Collateral Asset Linked Securities and the marked to market value of the MTM Adjustable Assets during such period.

*No option collateralisation in respect of Nominal Value Collateral Asset Linked Securities or Partial Nominal 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" ("**Nominal Value Collateral Asset Linked Securities**" or "**Partial Nominal 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 the case of Nominal Value Collateral Asset Linked Securities, only the Nominal Amount of the Securities 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. In the case of Partial Nominal Value Collateral Asset Linked Securities, only a proportion of the Nominal Amount of the Securities will be collateralised although an amount will be payable by the Issuer equal to the sum of (i) 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**") and (ii) an amount equal to the proportion of the aggregate Nominal Amount of the Secured Securities which is not collateralised (in respect of each Secured Security, the "**Nominal Shortfall Amount**" and in respect of all the relevant Secured Securities secured by the relevant Collateral Pool, the "**Aggregate Nominal Shortfall 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 the Aggregate Nominal Shortfall Amount and there will be no Collateral Assets in the Collateral Pool collateralising such payment obligation.

*Adjustments to amount of Reference Collateral Assets held in Collateral Pool (Nominal Value Collateralisation Element)*

In respect of the aggregate Nominal Amount of any Placed Secured Securities secured by the relevant Collateral Pool which are Nominal Value Collateral Asset Linked Securities, Nominal Value Collateralisation will apply and therefore BNPP B.V. will hold sufficient Reference Collateral Assets to secure the aggregate Nominal Amount of the Collateral Asset Linked Securities held by parties other than BNPP B.V. or any of its Affiliates on the Issue Date. There will be no adjustments to the amount of Reference Collateral Assets in the Collateral Pool during the tenor of the Securities to reflect the changing marked to market values or nominal amounts of either the Reference Collateral Assets or the Collateral Asset Linked Securities, provided that where the BNPP Holding increases, the amount of Reference Collateral Assets shall be reduced so that, at any time, only the aggregate Nominal Amount of the Placed Secured Securities will be collateralised by the Reference Collateral Assets. In respect of the aggregate Nominal Amount of any Placed Secured Securities secured by the relevant Collateral Pool which are Partial Nominal Value Collateral Asset Linked Securities, BNPP B.V. will hold sufficient Reference Collateral Assets to secure the product of the aggregate Nominal Amount of the Collateral Asset Linked Securities held by parties other than BNPP B.V. or any of its Affiliates on the Issue Date and the applicable collateralisation level (the "**Partial Collateralisation Level**"). There will be no adjustments to the amount of Reference Collateral Assets in the Collateral Pool during the tenor of the

Securities to reflect the changing marked to market values or nominal amounts of either the Reference Collateral Assets or the Collateral Asset Linked Securities, provided that where the BNPP Holding increases, the amount of Reference Collateral Assets shall be reduced so that, at any time, Reference Collateral Assets will be held with a nominal amount equal to the product of the aggregate Nominal Amount of the Placed Secured Securities and the Partial Collateralisation Level.

*No collateralisation in respect of Collateral Asset Linked Securities held by BNPP B.V. or its Affiliates*

BNPP B.V. will not hold collateral (in the form of either MTM Adjustable Assets or Reference Collateral Assets) in respect of (i) the aggregate Nominal Amount of the Collateral Asset Linked Securities that are held by BNPP B.V. or any of its Affiliates and (ii) the portion of the Option that relates to Collateral Asset Linked Securities held by BNPP B.V. or any of its Affiliates.

*Early redemption upon a Collateral Asset Default or Collateral Default Event*

Collateral Asset Default or Collateral Default Event, as the case may be, will be an Optional Additional Disruption Event in respect of the Collateral Asset Linked Securities. Accordingly, Holders of the Collateral Asset Linked Securities will be exposed to the credit risk of the Reference Collateral Asset Issuer as well as the credit risk of BNPP B.V. and the Guarantor and, for the avoidance of doubt, upon the occurrence of such Optional Additional Disruption Event, no Shortfall will be determined. Where such Optional Additional Disruption Event occurs, Holders will receive a *pro rata* share of the Reference Collateral Assets which secured the series of Collateral Asset Linked Secured Securities they held in satisfaction of BNPP B.V.'s obligations in respect of the aggregate Nominal Amount of such Collateral Asset Linked Securities and BNPP B.V. shall pay an amount equal to the marked to market value of the Option to Holders. In respect of Partial Nominal Value Collateral Asset Linked Securities, BNPP B.V. shall also pay an amount equal to the Aggregate Nominal Shortfall Amount to Holders as only part of the Nominal Amount of the relevant Collateral Asset Linked Secured Securities will be collateralised with Reference Collateral Assets.

*Physical Delivery of Reference Collateral Assets*

Upon enforcement of the Pledge Agreement, the Collateral Agent will not sell the Reference Collateral Assets (unless there is a Collateral Settlement Disruption Event) but will deliver the Reference Collateral Assets in the manner set out in the Collateral Security Conditions. In such cases, although the Reference Collateral Assets will be sufficient to pay investors an amount equal to the nominal value of the Collateral Asset Linked Securities or part of the nominal value of the Collateral Asset Linked Securities (as applicable) on their scheduled Maturity Date, investors wishing to sell the Reference Collateral Assets before such date may not be able to realise the same value on the secondary market prior to the Maturity Date and the price of the Reference Collateral Assets will be subject to change according to market conditions. The marked to market value of the Reference Collateral Assets which are delivered to Holders may, at the time they are so delivered, be lower or substantially lower than the nominal value (or part thereof) of the relevant Collateral Asset Linked Securities which they secured. As a result, Holders may not be able to recover an amount equal to such nominal amount of such Reference Collateral Assets until the Reference Collateral Assets mature or are redeemed in accordance with their terms and Holders will be exposed to the ability of the Reference Collateral Asset Issuer to make such payments.

*Collateral Settlement Disruption Event*

If a Collateral Settlement Disruption Event occurs or exists on the Collateral Delivery Date, settlement will be postponed until the next Business Day on which there is no Collateral Settlement Disruption Event. If such Collateral Settlement Disruption Event continues for a period of not more than eight Business Days after the original Collateral Delivery Date, the Collateral Agent will procure the sale of the Reference Collateral Assets in lieu of delivery of the Entitlement. The amount received by a Holder following such sale of the Reference

Collateral Assets may be lower than the amount which a Holder would have received if its share of the Reference Collateral Assets had been delivered to it and the Holder held the Reference Collateral Assets to the maturity date of such assets or sold such assets at a different point in time.

#### *Scope of guarantee*

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

#### *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 securities 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.

### **7. Additional Risks Associated with Nominal Value Repack Securities**

The risk factors set out in this paragraph 6 apply to Secured Securities which are Nominal Value Repack Securities.

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

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

Where one of "Security Value Realisation Proceeds", "Nominal Value Realisation Proceeds" or "Partial Nominal Value Realisation Proceeds" is specified in the applicable Final Terms as the applicable Security Termination Amount, following an Enforcement Event, the amount payable to a Holder will be calculated by reference to the realisation proceeds of the Charged Assets relating to such series of Secured Securities and a pro rata share of such amount will be the Security Termination Amount. No other amount will be payable by BNPP B.V. in respect of such Secured Securities. A Shortfall will only arise in respect of a series of Secured Securities if the proceeds of realisation from the relevant Charged Assets are not paid or deemed to be paid, where Physical Delivery is applicable, to the relevant Holders.

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

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

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

*No adjustments to a Collateral Pool*

Where no Credit Support Document is entered into in connection with a series of Secured Securities and Collateral Substitution does not apply there will be no adjustments to the Collateral Assets in the Collateral Pool during the life of the relevant Secured Securities. In this case, if the security is enforced, the proceeds of enforcement that a Holder will receive may not be equal to the market value of the Secured Security which it holds.

*Fluctuations in the value of the Collateral Assets*

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

*Cross default*

Following the occurrence of an Enforcement Event in respect of any series of Secured Securities that is secured by a Collateral Pool, the Security Trustee, will when instructed to do so (and subject to being satisfactorily indemnified), realise the Collateral Assets for each series of Secured Securities which is secured by such Collateral Pool or will cause such Collateral Assets to be realised. Where the Collateral Assets are securities, liquidation of the Collateral Assets simultaneously may increase the risk that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holders under the relevant Secured Securities because liquidation of all the Collateral Assets in the Collateral Pool at the same time could potentially lead to a reduction in the market value of some or all of the Collateral Assets.

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

In the event of the insolvency of BNPP B.V., the realisation of the Collateral Assets may be delayed either by the insolvency administrator appointed in relation to BNPP B.V. or by measures ordered by a competent court. Such delay could adversely affect the position of the Holders in the event of depreciation of the value of the Collateral Assets during such delay. Upon enforcement of the Secured Interest securing the Issuer's obligations with respect to the Securities, the ability of the Security Trustee to recover any amounts or Equivalent Securities in respect of any of the Collateral Assets or Received Collateral owing to the Issuer by the Swap Counterparty, the Repo Counterparty or the Collateral Exchange Counterparty may be dependent on applicable laws or other matters beyond its control. The Security Trustee is not responsible for any failure or delay to recover such amounts or Collateral Assets or Received Collateral where such failure or delay is beyond the control of the Security Trustee or arises by operation of law. The Security Trustee is not obliged to take any

action in respect of such amounts or Collateral Assets or Received Collateral unless it has been directed to do so by the Holders in accordance with the Security Trust Deed and it has been indemnified and or secured (including by way of pre-funding) against any liability which it may incur by so acting.

#### *Illiquid Collateral Assets*

The Collateral Assets in some Collateral Pools may comprise assets which are illiquid and not readily realisable. Where there is limited liquidity in the secondary market relating to Collateral Assets, the Security Trustee (or its agent) may not be able to sell such Collateral Assets, or there may be a delay in such sale taking place, to a third party and distribute the net proceeds (after satisfying amounts due in priority thereto) to Holders.

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

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

#### *Physical Delivery of Collateral*

If Physical Delivery of Collateral is specified in respect of a series of Secured Securities upon enforcement of the Pledge Agreement, the Collateral Agent will not sell the Collateral Assets which are subject to such physical delivery (unless there is a Collateral Settlement Disruption Event or there amounts payable in accordance with the relevant Priority of Payments which are due in priority to the Holders) but will deliver the Collateral Assets in the manner set out in the Collateral Security Conditions. In such cases, although the Collateral Assets held in the Collateral Pool for the relevant series should be sufficient to pay investors an amount equal to the Nominal Value or Partial Nominal Value of the Secured Securities (as applicable) on their scheduled Maturity Date, investors wishing to sell the Collateral Assets before such date may not be able to realise the same value on the secondary market prior to the Maturity Date and the price of the Collateral Assets will be subject to change according to market conditions.

#### *Collateral Settlement Disruption Event*

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

### *Scope of guarantee*

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

### *Credit Nominal Value Repack Securities*

The risk factors set out in the Base Prospectus relating to Credit Securities shall also apply to Credit Nominal Value Repack Securities and, for such purpose, any reference in those risk factors to Credit Securities and Credit Securities shall be deemed to be a reference to Credit Nominal Value Repack Securities

### *Credit risk on the RCA Issuer*

A number of the Early Redemption Events which apply to Nominal Value Repack Securities relate to the performance of the RCA Reference Entity and/or obligations issued or guaranteed by the RCA Issuer (which may be the Reference Collateral Assets). Upon the occurrence of one of these Early Redemption Events, the Holders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such RCA Issuer. However, the holding of a Nominal Value Repack Security is unlikely to lead to outcomes which exactly reflect the impact of directly investing in the Reference Collateral Assets, and losses could be considerably greater than would be suffered by a direct investor in the Reference Collateral Assets and/or could arise for reasons unrelated to such Reference Collateral Assets. Holders should also note that a relevant Early Redemption Event may occur even if the obligations of the RCA Reference Entity under the Reference Collateral Assets or Obligations are unenforceable or their performance are prohibited by any applicable law or exchange controls.

### *Actions of RCA Reference Entity*

Actions of the RCA Issuer (for example, the repayment or transfer of indebtedness) may adversely affect the value of the Nominal Value Repack Securities

### *No confidential information*

BNPP B.V. and the Calculation Agent are not obliged to disclose to holders of the Nominal Value Repack Securities any confidential information which they may have at the Issue Date or receive thereafter in relation to any RCA Reference Entity or the Reference Collateral Assets, or any other obligation of the RCA Reference Entities.

### *Compounding of risks*

Various risks relating to the Nominal Value Repack Securities may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Nominal Value Repack Securities and/or in increased losses for holders of the Nominal Value Repack Securities.

### *Historical performance may not predict future performance*

The Reference Collateral Assets may not perform as indicated by the historical performance of similar obligations issued by the RCA Issuer and no assurance can be given with respect to the future performance of the Reference Collateral Assets. Historical default statistics may not capture events that would constitute Early Redemption Events for the purposes of the Nominal Value Repack Securities .

### *Limited provision of information about the Reference Collateral Assets*

Investors should conduct their own investigation and analysis with respect to the creditworthiness of the RCA Issuer and the likelihood of the occurrence of an early Redemption Event.

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

Prospective investors should note that there is no requirement for BNPP B.V. to give information which is generally publicly available in relation to the occurrence of an Early Redemption Event. If an Early Redemption Event, as applicable, occurs in respect of the relevant Reference Collateral Assets which is not public, Holders of the Collateral Asset Linked Securities may not be able to verify the occurrence of such Early Redemption Event.

### *Reliance on creditworthiness of other parties*

The ability of the Issuer to meet its obligations under the Securities may be dependent on its receipt of payments and/or deliveries from the Swap Counterparty under a Swap Agreement or, where relevant, receipt of payments and/or deliveries from the Repo Counterparty under the Repurchase Agreement or the Collateral Exchange Counterparty under the Collateral Exchange Agreement. Consequently, the Issuer will rely on the full and timely performance by the Swap Counterparty and/or the Repo Counterparty and/or the Collateral Exchange Counterparty.

In the event of the insolvency of the Collateral Exchange Counterparty (where relevant), the Issuer will rank as an unsecured creditor of the Collateral Exchange Counterparty with respect to the return of any part of the Reference Collateral Assets which have been transferred by the Issuer to the Collateral Exchange Counterparty pursuant to the Collateral Exchange Agreement (the "**Received Collateral**"). Although the Issuer will have received Replacement Collateral Assets from the Collateral Exchange Counterparty, holders of the Securities are therefore exposed to the credit risk of the Collateral Exchange Counterparty on an unsecured basis to the extent the Replacement Collateral Assets cannot be sold for the same amount as a sale of the Received Collateral would have realised if such Reference Collateral Assets had not been transferred to the Collateral Exchange Counterparty..

The receipt by the Issuer of payments under the relevant Swap Agreement is also dependent on the timely payment by the Issuer of its obligations under the relevant Swap Agreement. The ability of the Issuer to make timely payment of its obligations under the relevant Swap Agreement may depend on receipt by it of the scheduled payments under the Specified Reference Collateral Assets. Consequently, the Issuer may also be exposed to the ability of the RCA Issuer to perform its payment obligations.

### *Obligations of the Issuer*

The Securities are direct, secured, limited recourse obligations of the Issuer payable solely out of the assets charged by the Issuer in favour of the Security Trustee on behalf of, inter alios, the Holders. The Issuer will have no other assets or sources of revenue other than its rights under any Swap Agreement or where relevant any Repurchase Agreement and/or Collateral Exchange Agreement, guarantee or credit enhancement agreement and the Charged Assets for a particular series of Secured Securities. No assurance can be made that the proceeds available for and allocated to the repayment of any series of Secured Securities at any particular time will be sufficient to cover all amounts that would otherwise be due and payable in respect of such series of Secured Securities. If the proceeds of the realisation of the Collateral Assets and the other assets of the Issuer received by the Security Trustee for the benefit of the Holders are insufficient to make payments on the

Securities, no other assets will be available for payment of any shortfall, and, following distribution of the proceeds of such realisation, the obligation of the Issuer to pay such shortfall shall be extinguished. No person other than the Issuer or the Guarantor will be obliged to make payments on the Securities. The Guarantor has guaranteed the Issuer's obligations to pay the portion of the proceeds of realisation from the Charged Assets remaining after payment of amounts due in priority thereto to the Holders. Following the occurrence of an Enforcement Event, the Issuer has no obligation to pay an amount to Holders other than the relevant part of the realisation proceeds and the Issuer (and as a consequence the Guarantor) will have no liability for any shortfall between such amount and the amounts which would have been payable if an Enforcement event had not occurred and the Security Interests had not been enforced. Accordingly, any such shortfall will be borne by the Holders and by the relevant Swap Counterparty, the relevant Repo Counterparty and the Collateral Exchange Counterparty, as the case may be. The holders of the Securities, Receipts and Coupons shall not be able to institute, or join with any other person in bringing, instituting or joining, insolvency proceedings (whether court based or otherwise) in relation to the Issuer or the appointment of an examiner in respect of the Issuer, as a consequence of any such shortfall.

#### *Capacity of BNP Paribas*

BNP Paribas and its affiliates, BNP Paribas Arbitrage S.N.C. and BNP Paribas Securities Services, Luxembourg Branch, may act in a number of different capacities, including as Swap Counterparty, Repo Counterparty, Collateral Exchange Counterparty, Collateral Custodian, Calculation Agent and Principal Paying Agent. BNP Paribas, BNP Paribas Arbitrage S.N.C. and BNP Paribas Securities Services, Luxembourg Branch, acting in such capacities in connection with such transactions, shall have only the duties and responsibilities expressly agreed to by such entities in the relevant capacity and shall not, by virtue of acting in any other capacity, be deemed to have other duties or responsibilities other than as expressly provided with respect to each such capacity. BNP Paribas, BNP Paribas Arbitrage S.N.C. and BNP Paribas Securities Services, Luxembourg Branch, in their various capacities in connection with the contemplated transactions, may enter into business dealings, including the acquisition of investment securities, from which they may derive revenues and profits in addition to any fees stated in the various transaction documents, without any duty to account therefor.

#### *Conflicts of interest*

Under the Security Trust Deed, the Security Trustee may hold a security interest in the property charged and assigned thereunder for the benefit of, inter alios, the Holders, whose rights in and the enforcement of the security interest may be subordinate to the prior rights of the Security Trustee, the Swap Counterparty and, where applicable, the Repo Counterparty and/or Collateral Exchange Counterparty in respect of the fees and expenses incurred by the Security Trustee (or its agents) or any receiver and the Issuer's obligations to the Swap Counterparty under the relevant Swap Agreement or, where applicable, to the Repo Counterparty and/or Collateral Exchange Counterparty under the relevant Repurchase Agreement and/or Collateral Exchange Agreement.

#### *Credit quality of security, provision of information and voting rights*

None of the Issuer, any manager of an issue of Secured Securities, the Agents or the Security Trustee or any of their respective affiliates makes in respect of any Securities any representation as to the credit quality of any security for such Securities or, if applicable, any Eligible Collateral Issuer or RCA Reference Entity. Any of such persons may have acquired, or during the term of the Securities may acquire, non-public information relevant to such issue of Securities with respect to any part or element of the Charged Assets or a RCA Reference Entity (including its respective affiliates) that is or may be material in the context of the Securities. The issue of the Securities will not create any obligation on the part of any such person to disclose to the Holders or any other party such information (whether or not confidential). No investigations, searches or other

enquiries have been made (or will be made) by or on behalf of the Issuer or the Security Trustee in respect of any RCA Reference Entity or Reference Collateral Assets. No representations or warranties have been given (or will be given) by the Issuer in respect of any RCA Reference Entity or Reference Collateral Assets. The Security Trustee is not required to exercise (or procure the exercise) of any voting rights or other rights or entitlements attaching to or arising from any Collateral Assets at any time.

#### *Emerging markets*

The assets comprising the Specified Reference Collateral Assets in respect of any series of Secured Securities may originate from an emerging markets country. Investing in obligations in emerging markets countries or in obligations which are secured by or referenced to such obligations involves certain systematic and other risks and special considerations which include:

- (i) the prices of emerging markets obligations may be subject to sharp and sudden fluctuations and declines;
- (ii) emerging markets obligations may be relatively illiquid. Trading volume may be lower than in debt of higher grade credits. This may result in wide bid/offer spreads generally and in adverse market conditions. In addition, the sale or purchase price quoted for a portion of the Reference Collateral Assets may be better than can actually be obtained on the sale of the entire holding of the Reference Collateral Assets.
- (iii) published information in or in respect of emerging markets countries and issuers of or obligors in respect of emerging markets obligations has been proven on occasions to be materially inaccurate;
- (iv) in certain cases the Holders may be exposed to the risk of default by a sub-custodian in an emerging markets country; and
- (v) realisation of Reference Collateral Assets comprising emerging markets obligations may be subject to restrictions or delays arising under local law.

#### *Currency risk*

An investment in Securities denominated and payable in a foreign currency entails significant risks to a Holder that may not be involved if a similar investment were made in Securities denominated and payable in such Holder's home currency. These risks include, without limitation, the possibility of significant changes in rates of exchange between the foreign currency and such Holder's home currency and generally depend on economic and political events over which the Issuer has no control. In addition, there may also be risks for Holders where the relevant Specified Reference Collateral Assets are denominated in a different currency to the relevant series of Secured Securities. The Issuer is likely to be reliant on payments in which the Securities are denominated from the Swap Counterparty in order to make payments in full of amounts due on such Securities. If the Swap Agreement is terminated early due to an Event of Default or Early Redemption Event, Holders are likely to be exposed to foreign exchange currency risk as the Issuer may no longer receive the relevant amounts from the Swap Counterparty. Furthermore where the Issuer or the Security Trustee (or their respective agents) sell Collateral Assets in accordance with the Collateral Security Conditions, they will receive amounts in the currency in which the relevant Reference Collateral Assets are denominated. There could have been significant changes in rates of exchange between the currency amounts in which the relevant Reference Collateral Assets are denominated and the currency in which the Securities are denominated which could lead to significantly lower amounts being available for payments to Holders.

### *Country and regional risk*

The price and value of any Reference Collateral Assets may be influenced by the political, financial and economic stability of the country and/or region in which an obligor of any Reference Collateral Assets is incorporated or has its business or of the country of the currency in which any Reference Collateral Assets are denominated. In certain cases, the price and value of assets originating from countries ordinarily not considered to be emerging markets countries may behave in a similar manner to those of assets originating from emerging markets countries.

### *Business relationships*

Each of the Issuer, each Manager, each Agent and the Trustee and their respective affiliates may deal with and engage generally in any kind of commercial or investment banking or other business with any RCA Reference Entity, its respective affiliates or any other person or entity having obligations relating to any RCA Reference Entity to in the same manner as if the Securities issued under the Programme did not exist and will pursue actions and take steps that they deem or it deems necessary or appropriate to protect their or its interests arising therefrom, regardless of whether any such action might have an adverse effect on a RCA Reference Entity or any of its respective affiliates or any guarantor or provider of any credit enhancement or any other person.

### *Exposure to credit risk of Reference Entities*

The terms of certain series of Nominal Value Repack Securities may create exposure to the credit risk of the RCA Reference Entities (including the Eligible Collateral Issuer) specified as relevant to such series. The likelihood of a Reference Collateral Credit Event or Early Redemption Event occurring with respect to any relevant RCA Reference Entity or in relation to the Reference Portfolio, as the case may be, will generally fluctuate with, among other things, the financial condition of the relevant RCA Reference Entity (where applicable), general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates.

### *BNP Paribas dealings related to obligations of Reference Entities*

None of BNP Paribas and its affiliates will be (nor deemed to be acting as) an agent or trustee of the Issuer or the Holders in connection with the exercise of, or the failure to exercise, any of its rights or powers arising under or in connection with its holding (if any) of any obligation of any RCA Reference Entity, any obligations comprising the Reference Collateral Assets. BNP Paribas and its affiliates (a) may deal in any obligation of any RCA Reference Entity or any obligations comprising the Reference Collateral Assets or obligations issued by a RCA Reference Entity (b) may accept information from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with any RCA Reference Entity, and any investment manager or trustee related to any obligations of such entities and (c) may act, with respect to transactions described in (a) and (b) above, in the same manner as if the Securities did not exist and without regard to whether such action might have an adverse effect on any Obligation, any RCA Reference Entity, any Reference Collateral Asset, any investment manager or trustee related to any Obligation, any RCA Reference Entity, any Reference Collateral Asset, the Issuer or the Holders.

### *Issuer's obligation to pay the Swap Counterparty without need for loss*

Where relevant in respect of a particular series of Nominal Value Repack Securities, the Issuer may be obliged to make payments (or deliver the relevant Reference Collateral Assets) to the Swap Counterparty under any relevant Swap Agreement following the occurrence of a Reference Collateral Credit Event irrespective of whether the Swap Counterparty has suffered an actual loss in respect of any RCA Reference Entity or of the size of such loss. Where that is the case the Swap Counterparty may not be under any obligation to, and may

not, account for any amount it may subsequently recover in respect of a RCA Reference Entity or Reference Collateral Assets for which it receives a payment or in respect of which a Reference Collateral Credit Event has occurred.

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

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

If an Additional Disruption Event occurs, or any Optional Additional Disruption Event specified in the applicable Final Terms occurs (other than in respect of a Failure to Deliver due to Illiquidity), the Securities may be subject to adjustment (including, in the case of Share Securities linked to a Basket of Shares, adjustments to the Basket of Shares), or early redemption or the amount payable on scheduled redemption may be different from the amount expected to be paid at scheduled redemption. In the case of Index Securities linked to a Custom Index the occurrence of an Additional Disruption Event or Optional Redemption Event specified in the applicable Final Terms may lead to the selection of a successor Index.

The Additional Disruption Events relate to changes in law (including changes in tax or regulatory capital requirements) and hedging disruptions in respect of any hedging transactions relating to the Securities (both as more fully set out in the Conditions).

If a Failure to Deliver due to Illiquidity occurs:

- (A) subject as provided in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Maturity Date; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with the relevant Conditions. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders.

Consequently the occurrence of an Additional Disruption Event and/or an Optional Additional Disruption Event may have an adverse effect on the value or liquidity of the Securities.

### *Market Disruption Events or failure to open of an exchange*

If an issue of Securities includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on a date for valuation of an Underlying Reference and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such valuation date, any consequential postponement of the valuation date, or any alternative provisions for valuation provided in any Securities may have an adverse effect on the value and liquidity of such Securities.

The occurrence of such a Market Disruption Event or failure to open of an exchange in relation to any Underlying Reference comprising a basket may also have such an adverse effect on Securities related to such basket. In addition, any such consequential postponement may result in the postponement of the relevant Maturity Date.

### *Adjustment Events relating to Index Securities*

In the case of Index Securities, if a relevant Index is (i) not calculated and announced by the Index Sponsor in respect of the Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination

of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then, in each case, that index will be deemed to be the Index.

The occurrence of an Index Modification, an Index Cancellation or an Index Disruption (each being an "**Index Adjustment Event**") may lead to (i) changes in the calculation of the relevant value or price (if the Calculation Agent determines such Index Adjustment Event has a material effect on the Securities), (ii) early redemption of the Securities or (iii) the amount payable on scheduled redemption of the Securities being different from the amount expected to be paid at scheduled redemption.

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

*Potential Adjustment Events relating to Share Securities*

In the case of Share Securities, following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share). Such adjustment may have an adverse effect on the value and liquidity of the affected Share Securities.

*Extraordinary Events relating to Share Securities*

In the case of Share Securities the occurrence of an Extraordinary Event (as defined in the Share Security Conditions) in relation to a Share, may lead to:

- (A) adjustments to any of the terms of the Securities (including, in the case of Share Securities linked to a Basket of Shares, adjustments to and/or substitution of constituent shares of the Basket of Shares);
- (B) early redemption in whole or, in the case of Share Securities relating to a Basket of Shares, in part or the amount payable on scheduled redemption being different from the amount expected to be paid at scheduled redemption;
- (C) the Calculation Agent making an adjustment to any terms of the Securities which corresponds to any adjustment to the settlement terms of options on the Shares traded on such exchanges(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "Option Exchange") or, if options on the Shares are not traded on the Options Exchange, the Calculation Agent making such adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

Following such redemption an investor generally would not be able to reinvest the relevant proceeds at an effective interest rate as high as the effective return on the relevant Securities being cancelled or redeemed and may only be able to do so at a significantly lower rate, and potential investors should consider reinvestment risk in light of other investments available at that time. Consequently the occurrence of an Extraordinary Event in relation to a Share may have an adverse effect on the value or liquidity of the Securities.

*Potential Adjustment Events relating to ETI Securities*

In the case of ETI Securities, following the declaration by the relevant exchange traded instruments or any person appointed to provide services directly or indirectly in respect of such exchange traded instrument, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest).

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

*Extraordinary Events relating to ETI Securities*

In the case of ETI Securities if certain events ("**Extraordinary ETI Events**") including events relating to Global Events, Litigation/Fraudulent Activity Events, Change in Related Parties/Key Persons Events, Modification Events, Net Asset Value/Investment/AUM Level Events, Tax/Law/Accounting/Regulatory Events, Hedging/Impracticality/Increased Costs Events and Miscellaneous Events in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner) occur, the relevant Issuer may, acting in good faith and in a commercially reasonable manner, adjust the terms of the Securities to reflect such event, substitute the relevant ETI Interests or redeem the Securities.

Consequently the occurrence of an Extraordinary ETI Event may have an adverse effect on the value or liquidity of the Securities.

The Issuer will exercise its rights under the ETI Security Conditions, including in particular the action it takes on the occurrence of an Extraordinary Fund Event, acting in good faith. Subject to all regulatory obligations, none of the Issuer, the Guarantor or the Calculation Agent owes any duty or responsibility to any of the Holders of the ETI Securities. The exercise of such rights in such manner may result in an increased loss in performance of the ETI Securities than if the Issuer had taken different action.

*Market Disruption Events relating to Commodity Securities*

If a Market Disruption Event occurs or is continuing on a date for valuation then:

- (A) the Calculation Agent will determine acting in good faith and in a commercially reasonable manner if such event has a material effect on the Securities and, if so, will calculate the relevant Interest Amount and/or Final Redemption Amount or Cash Settlement Amount and/or make another relevant calculation using, in lieu of a published price or level for the relevant Commodity or Commodity Index, the Commodity Fallback Value;
- (B) the Calculation Agent may substitute the relevant affected Commodity or Index Component with a Commodity or Index Component selected by it in accordance with the criteria set out in the Commodity Security Conditions and will make such adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Issuer will redeem the Securities.

Consequently the occurrence of a Market Disruption Event in relation to a Commodity, Commodity Index or Index Component may have an adverse effect on the value or liquidity of the Securities.

#### *Adjustment Events relating to Commodity Index Securities*

In the case of a Securities linked to a Commodity Index, if a relevant Commodity Index is (i) not calculated and announced by the Index Sponsor in respect of the Commodity Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, acceptable to the Calculation Agent, or (ii) replaced by a successor Commodity Index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then, in each case, that Commodity Index will be deemed to be the Commodity Index. The occurrence of a Commodity Index Modification, Commodity Index Cancellation or Commodity Index Disruption (each being a "**Commodity Index Adjustment Event**") may lead to:

- (A) the Calculation Agent determining the Relevant Price using, in lieu of a published level, the Commodity Fallback Value (if the Calculation Agent determines acting in good faith and in a commercially reasonable manner such Commodity Index Adjustment Event has a material effect on the Securities); or
- (B) early redemption of the Securities.

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

#### *Other Events relating to Fund Securities*

In the case of Fund Securities, if certain events ("**Extraordinary Fund Events**") including events relating to Global Events, Litigation/Fraudulent Activity Events, Fund Service Provider/Key Person Events, Modification Events, NAV per Fund Share/AUM Level Events, Reporting Events, Tax/Law/Accounting/Regulatory Events, Hedging/Impracticality/Increased Costs Events, Dealing Events and Miscellaneous Events in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner) occur, the Issuer may, acting in good faith and in a commercially reasonable manner, adjust the terms of the Securities to reflect such event, substitute the relevant Fund Shares or redeem the Securities.

Consequently the occurrence of an Extraordinary Fund Event may have an adverse effect on the value or liquidity of the Securities.

In addition, in the event that redemption proceeds in respect of the underlying Fund Shares are not received by the Hedge Provider on or prior to the scheduled date for redemption or settlement, as the case may be, such redemption or settlement date may be postponed for a period of up to two calendar years (or such other period as may be specified in the applicable Final Terms) and no additional amount shall be payable as a result of such delay.

The Issuer will exercise its rights under the Fund Security Conditions, including in particular the action it takes on the occurrence of an Extraordinary Fund Event, acting in good faith. Subject to all regulatory obligations, none of the Issuer, the Guarantor or the Calculation Agent owes any duty or responsibility to any of the Holders of the Fund Securities. The exercise of such rights in such manner may result in an increased loss in performance of the Fund Securities than if the Issuer had taken different action.

#### *Settlement Disruption Events*

In the case of Physical Delivery Securities, if a Settlement Disruption Event occurs or exists on the Maturity Date respectively, settlement will be postponed until the next Settlement Business Day in respect of which there is no Settlement Disruption Event. The relevant Issuer in these circumstances also has the right to pay the Disruption Cash Redemption Amount (as defined below) in lieu of delivering the Entitlement. As further described below, the Disruption Cash Redemption Amount may be less than the fair market value of the Entitlement.

*The occurrence of a FX Settlement Disruption Event may lead to postponement or payment in an alternative currency*

If "FX Settlement Disruption" applies to the Securities, and the Calculation Agent determines acting in good faith and in a commercially reasonable manner on the second Business Day prior to the relevant due date for payment (the "**FX Disrupted Payment Date**") that a FX Settlement Disruption Event has occurred and is subsisting, investors should be aware that payments of principal and/or interest (if applicable) may (i) occur at a different time than expected and that no additional amount of interest will be payable in respect of any delay in payment of principal and/or interest and (ii) be made in USD (the "**FX Settlement Disruption Currency**"). In certain circumstances, the rate of exchange used to convert the Specified Currency and/or Settlement Currency into the FX Settlement Disruption Currency, may not be the market rate of exchange for such currencies, and in some cases, may be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner

*Option to Vary Settlement*

If so indicated in the Final Terms, the Issuer may elect to vary the settlement of the Securities, by (i) in the case of cash settled securities, delivering or procuring delivery of the Entitlement instead of making payment of the Final Redemption Amount to the relevant Holders or (ii) in the case of physical delivery securities, making payment of the Final Redemption Amount to the relevant Holders instead of delivering or procuring delivery of the Entitlement.

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

The Issuer may, if the Calculation Agent determines (acting in good faith and in a commercially reasonable manner) that the Relevant Asset or Relevant Assets, as the case may be, comprise assets which are not freely tradable, elect either (i) to substitute a Substitute Asset or Substitute Assets, as the case may be, for the Relevant Asset or Relevant Assets or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant holders, but in lieu thereof to make payment to the relevant holders on the Maturity Date of the Alternate Cash Redemption Amount.

**9. Securities Subject to Optional Redemption by the Relevant Issuer or Other Early Redemption**

An optional, other early redemption feature is likely to limit the market value of the Securities. In the case of Securities having an optional redemption feature, during any period when the relevant Issuer may elect to redeem the relevant Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. In addition, the Final Terms may provide that the relevant Securities shall be redeemed early in specified circumstances. Following an optional or early redemption a Holder generally would not be able to reinvest the redemption proceeds (if any) at an effective interest rate as high as the interest rate on the relevant Securities being redeemed, and may only be able to do so at a significantly lower rate. As a consequence, the Holder may lose some or all of their investment. Potential investors should consider reinvestment risk in light of other investments available at that time.

**10. Interest**

*Interest linked to an Underlying Reference*

Interest payable on Linked Interest Notes may be determined by reference to an Underlying Reference or combinations of a number of different Underlying References. Potential investors should be aware that:

- (A) the market price of such Securities may be volatile;

- (B) they may receive no interest;
- (C) payment of interest may occur at a different time or in a different currency than expected;
- (D) an Underlying Reference may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (E) if an Underlying Reference is applied to Securities in conjunction with a weighting greater than one or contains some other leverage factor, the effect of changes in the Underlying Reference on interest payable will be magnified;
- (F) the timing of changes in an Underlying Reference may affect the actual yield to investors, even if the average level is consistent with their expectations (in general, the earlier the change in the Underlying Reference, the greater the effect on yield); and
- (G) interest may only be payable and/or calculated in respect of certain specified days and/or periods on or during which the Underlying Reference or its value equals, exceeds and/or is less than certain specified thresholds.

#### **11. Limited Exposure to Underlying Reference**

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

#### **12. Certain Additional Risk Factors**

In relation to any issue of Securities which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Securities may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Securities at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time (i) may not be able to transfer such Securities and (ii) may not receive a definitive Security in respect of such holding (should definitive Securities be printed) and in each case would need to purchase a principal amount of Securities at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

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

##### *No Gross Up in respect of certain Series of Notes*

If the applicable Final Terms specify that Condition 6.4 (No Gross-up) of the Terms and Conditions of the Notes is applicable, the Issuer or, as applicable, the Guarantor is not obliged to gross up any payments in respect of the Notes and shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Security and all payments made by the Issuer or, as applicable, the Guarantor shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

### *Dual Currency Notes*

The Issuers may issue Notes with principal and/or interest payable in a currency which may be different from the currency in which the Notes are denominated ("**Dual Currency Notes**"). In addition to the risk factors that may apply to Notes and to Notes linked to an Underlying Reference in general, potential investors should be aware that in relation to Dual Currency Notes:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal and interest (if applicable) may occur at a different time or in a different currency than expected;
- (iv) in certain circumstances, Noteholders may need to specify additional information to receive a relevant currency (including an account in which they can receive amounts in the relevant currency) and payments of the relevant currency by the Issuer may be delayed, or in certain circumstances, the Issuer may be discharged from its payment obligations in respect of the Notes in the event that the Noteholders fail to specify such account within a prescribed period;
- (v) they may lose all or a substantial portion of their principal;
- (vi) there may be movements in currency exchange rates which may result in significant fluctuations that may not correlate with changes in interest rates, currencies or related factors;
- (vii) the exchange rate used to calculate amounts payable in the settlement currency may be fixed prior to, on or after the Issue Date meaning that investors will not benefit from favourable changes in exchange rates during the term of the Dual Currency Notes; and
- (viii) settlement in the Settlement Currency may result in a lower return than if settlement had been made in the Specified Currency due to the risk on the exchange rate.

### **13. Certain Additional Risk Factors Associated with Italian Dematerialised Notes**

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

Italian Dematerialised Notes issued under the Programme will be in dematerialised form and evidenced at any time through book entries pursuant to the relevant provisions of Italian legislative decree no. 58/1998, as amended and integrated by subsequent implementing provisions, and in accordance with CONSOB and Bank of Italy Joint Regulation dated 22 February 2008, as amended and integrated by subsequent implementing provisions. In no circumstance would physical documents of title be issued in respect of the Italian Dematerialised Notes. While the Italian Dematerialised Notes are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli S.p.A. ("**Monte Titoli**") and the authorised financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Italian Dematerialised Notes are held in dematerialised form with Monte Titoli, investors will have to rely on the procedures of Monte Titoli and the financial intermediaries authorised to hold accounts therewith, for transfer, payment and communication with the relevant Issuer or Guarantor.

## USER'S GUIDE TO THE BASE PROSPECTUS

### 1. INTRODUCTION

The purpose of this section (the "User's Guide") is to provide potential investors with a tool to help them navigate through the various documents relating to Securities issued by BNPP B.V. (and guaranteed by BNPP) or BP2F (and guaranteed by BNPPF) under the Base Prospectus.

### 2. DOCUMENTATION

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

#### 2.1 The Base Prospectus

This document:

- contains the programme summary (along with the form of issue specific summary), the information relating to the Issuers, BNPP B.V. or BP2F or the Guarantors, BNPP or BNPPF and the risk factors;
- sets out the Terms and Conditions of the Securities (other than the specific commercial terms and characteristics of a particular issue, as to which see 2.3 below);
- sets out the possible specific characteristics of the Securities, including the rate of interest or how the rate of interest is calculated, payout formulae used to calculate the amount(s) (if any) payable or assets deliverable to the investors on the maturity date and the Underlying Reference(s); and
- details the terms specific to each type of Underlying Reference linked Securities in the annexes to the Terms and Conditions of the Securities.

#### 2.2 The Supplement(s)

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

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

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

- the specific terms of the issue, including but not limited to: the number of Securities being issued, the relevant identification codes and the currency of the Securities;
- the commercial terms of the issue, such as the payout formula for redemption, the amount of interest payable and/or how the rate of interest is calculated, any automatic early redemption provisions and the related definitions in respect of a specific issue of Securities, as described in the Base Prospectus;
- the Underlying Reference(s) to which the Securities are linked;
- the relevant dates, such as the issue date, interest payment dates, valuation or averaging date(s) and maturity date; and

- if required, a duly completed summary specific to such issue of Securities (the "issue specific summary"), the form of which is set out in the Base Prospectus.

### 3. HOW TO NAVIGATE THE BASE PROSPECTUS

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

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



Sections which are applicable to all Securities



Sections which are only applicable to specific issues of Securities

## Contents of the Base Prospectus

- PROGRAMME SUMMARY IN RELATION TO THIS BASE PROSPECTUS
- PROGRAMME SUMMARY IN RELATION TO THIS BASE PROSPECTUS (FRENCH)
- PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME
- PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME (FRENCH)
- RISK FACTORS
- BASE PROSPECTUS USER'S GUIDE
  
- FORWARD-LOOKING STATEMENTS
- PRESENTATION OF FINANCIAL INFORMATION
- DOCUMENTS INCORPORATED BY REFERENCE
- GENERAL DESCRIPTION OF THE PROGRAMME AND PAYOUT METHODOLOGY UNDER THIS BASE PROSPECTUS
- SECURITY AND COLLATERAL IN RESPECT OF SECURED SECURITIES
- FORM OF FINAL TERMS
  
- TERMS AND CONDITIONS OF THE SECURITIES
  
- Additional Terms and Conditions for Payouts
  
- Additional Terms and Conditions for Index Securities
- Additional Terms and Conditions for Share Securities
- Additional Terms and Conditions for ETI Securities
- Additional Terms and Conditions for Debt Securities
- Additional Terms and Conditions for Commodity Securities
- Additional Terms and Conditions for Inflation Index Securities
- Additional Terms and Conditions for Currency Securities
- Additional Terms and Conditions for Fund Securities
- Additional Terms and Conditions for Futures Securities
- Additional Terms and Conditions for Underlying Interest Rate Securities
- Additional Terms and Conditions for Credit Securities
- Additional Terms and Conditions for Secured Securities
  
- INDEX OF DEFINED TERMS IN RESPECT OF THE SECURITIES
  
- DESCRIPTION OF BNPP INDICES
- CONNECTED THIRD PARTY INDICES
  
- FORM OF THE BNPP GUARANTEE FOR NOTES
- FORM OF THE BNPPF GUARANTEE FOR NOTES
  
- USE OF PROCEEDS
- DESCRIPTION OF BNPP B.V.
- DESCRIPTION OF BNPP
- DESCRIPTION OF BP2F
- DESCRIPTION OF BNPPF
  
- FORM OF THE SECURITIES
- BOOK-ENTRY CLEARANCE SYSTEMS
- BOOK-ENTRY SYSTEMS
- TAXATION
- U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974
- OFFERING AND SALE
- GENERAL INFORMATION
- RESPONSIBILITY STATEMENT

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

2. Section setting out the general terms governing the Securities

3. Section detailing the different payout formulae

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

5. Section listing the relevant defined terms

6. Sections describing BNPP indices and connected third party indices

7. Sections detailing the terms of each of the guarantees

8. Sections relating to the Issuers and Guarantors

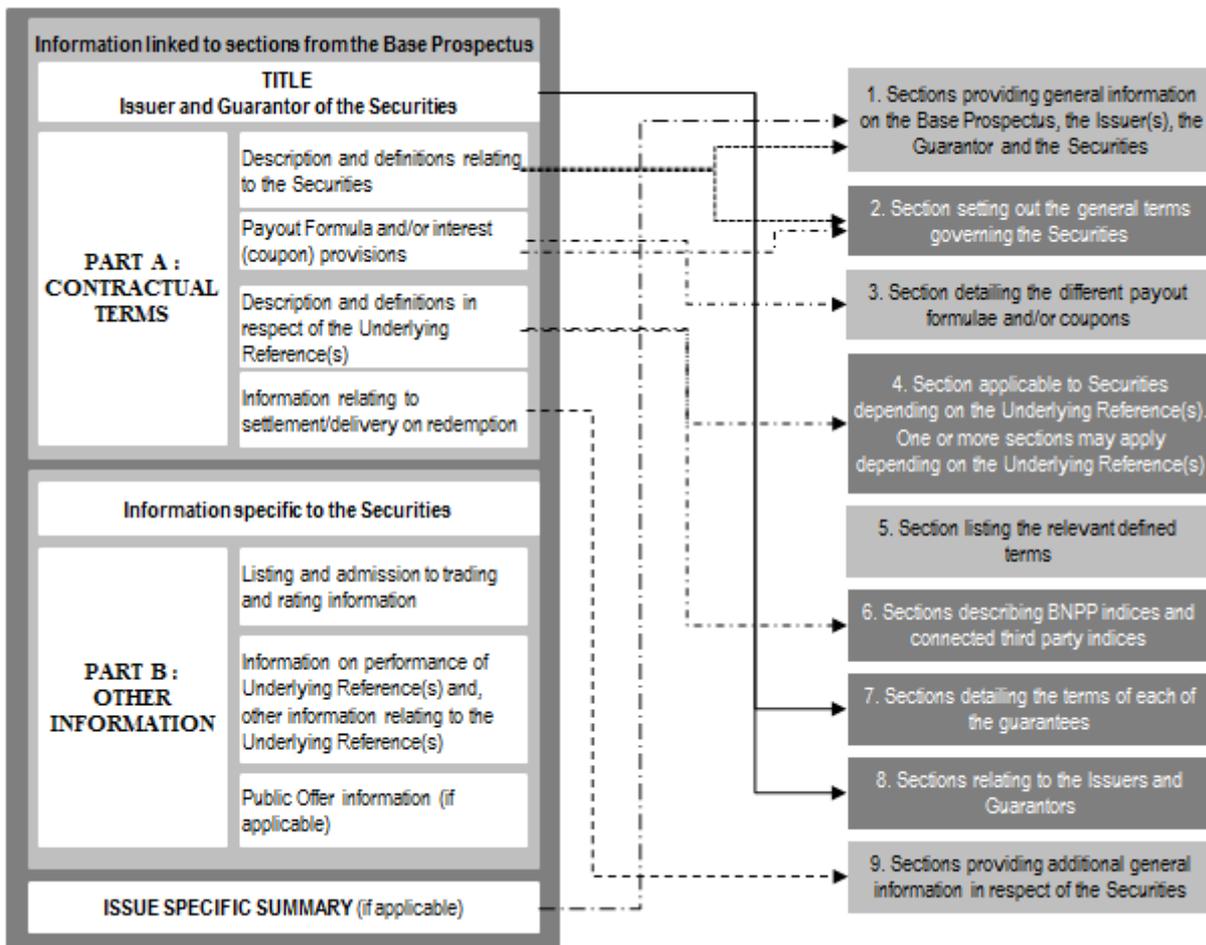
9. Sections providing additional general information in respect of the Securities

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

The applicable Final Terms are divided in three parts:

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

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



## FORWARD-LOOKING STATEMENTS

The documents incorporated by reference (such sections being the "**BNP Paribas Disclosure**"), contain forward-looking statements. BNP Paribas, BNPP B.V., BP2F, BNPPF and the BNP Paribas Group (being BNP Paribas together with its consolidated subsidiaries, the "**Group**") may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their offering circulars, in press releases and other written materials and in oral statements made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about BNPP, BNPP B.V., BP2F, BNPPF or the Group's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and BNPP, BNPP B.V., BP2F, BNPPF and the Group undertake no obligation to update publicly any of them in light of new information or future events.

## PRESENTATION OF FINANCIAL INFORMATION

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

The audited consolidated financial statements of BNPP, BGL and BNPPF for the years ended 31 December 2013, 31 December 2014 and, in the case of BNPP, 31 December 2015, have been prepared in accordance with international financial reporting standards ("**IFRS**") as adopted by the European Union. IFRS differs in certain significant respects from generally accepted accounting principles in the United States ("**U.S. GAAP**"). The Group has made no attempt to quantify the impact of those differences. In making an investment decision, investors must rely upon their own examination of the BNP Paribas Group, the terms of an offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between IFRS and U.S. GAAP, and how those differences might affect the information herein. The Group's fiscal year ends on 31 December and references in the BNPP 2013 Registration Document, the BNPP 2014 Registration Document (in each case, as defined in "*Documents Incorporated by Reference*" below) and the BNPP 2015 Registration Document and any update to the BNPP 2015 Registration Document (in each case, incorporated by reference herein) to any specific fiscal year are to the 12-month period ended 31 December of such year.

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

## DOCUMENTS INCORPORATED BY REFERENCE

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

- (a) the terms and conditions of the Notes in each case from the base prospectus or supplements listed below (the "**Note Previous Conditions**");
- (b) the form of final terms of the Notes contained in each base prospectus listed below (the "**Previous Form of Final Terms for Notes**");
- (c) the final terms for each Non-Exempt Offer (as defined below) extending beyond the validity of the 2015 Base Prospectus (as defined below) (the "**Offers Extending Beyond the Validity of the Base Prospectus**");
- (d) the statutory annual reports for 2014 (the "**2014 BNPP B.V. Annual Report**") and 2015 (the "**2014 BNPP B.V. Annual Report**") which include, respectively, the audited annual non-consolidated financial statements of BNPP B.V. as at, and for the years ended, 31 December 2014 and 31 December 2015 (the "**BNPP B.V. 2014 Financial Statements**" and the "**BNPP B.V. 2015 Financial Statements**" respectively) and the respective auditors' reports thereon;
- (e) the 2014 annual report of BNPPF including in particular the audited annual financial statements of BNPPF (including the unqualified statutory auditor's report of the joint statutory auditors on the consolidated financial statements for the year ended 31 December 2014 (including their opinion with explanatory paragraphs)) (the "**2014 BNPPF Annual Report**");
- (f) the 2015 annual report of BNPPF including in particular the audited annual financial statements of BNPPF (including the unqualified statutory auditor's report of the joint statutory auditors on the consolidated financial statements for the year ended 31 December 2015 (including their opinion with explanatory paragraphs)) (the "**2015 BNPPF Annual Report**");
- (g) the 2014 audited annual accounts of BP2F (including the report of the approved independent auditor issued by Deloitte S.à.r.l. (*réviseur d'entreprises agréé*) on 13 March 2015 for the year ended 31 December 2014 (the "**2014 BP2F Audited Annual Accounts**"));
- (h) the 2015 audited annual accounts of BP2F (including the report of the approved independent auditor issued by Deloitte S.à.r.l. (*réviseur d'entreprises agréé*) on 17 March 2016 for the year ended 31 December 2015 (the "**2015 BP2F Audited Annual Accounts**"));
- (i) (i) The cash flow statements of BP2F for the year ended 31 December 2014 and the audit report thereon issued by Deloitte Société à responsabilité limitée as independent auditor (*réviseur d'entreprises*) and as approved independent auditor (*réviseur d'entreprises agréé*) (the "**BP2F 2014 Cash Flow Statements**"), and (ii) the cash flow statements of BP2F for the year ended 31 December 2015 and the audit report thereon issued by Deloitte Société à responsabilité limitée as independent auditor (*réviseur d'entreprises*) and as approved independent auditor (*réviseur d'entreprises agréé*) (the "**BP2F 2015 Cash Flow Statements**");
- (j) BNPP's *document de référence et rapport financier annuel* in English for 2014 with filing number D .15-0107 including the consolidated financial statements for the year ended 31 December 2014 and the statutory auditor's report thereon other than Chapter 7 (A Responsible Bank: Information on BNP Paribas' Economic, Social, Civic and Environmental Responsibility), the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein (the "**BNPP 2014 Registration Document**");

- (k) BNPP's *document de référence et rapport financier annuel* in English for 2015 with filing number D .16-0126 including the consolidated financial statements for the year ended 31 December 2015 and the statutory auditors' report thereon other than Chapter 7 (A Responsible Bank: Information on BNP Paribas' Economic, Social, Civic and Environmental Responsibility), the sections entitled "Person Responsible for the Registration Document" and the "Table of Concordance" and any reference to a completion letter (*lettre de fin de travaux*) therein (the "**BNPP 2015 Registration Document**"); and
- (l) the BNPP *Actualisation du Document de référence déposée auprès de l'AMF le 3 mai 2016* (in English) with filing number D .16-0126-A01 (the "**First Update to the BNPP 2015 Registration Document**"),

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

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

The information incorporated by reference above is available as follows:

Information Incorporated by Reference	Reference
<i>Note Previous Conditions</i>	
June 2013 Note Conditions	Pages 274 to 346 and 475 to 716 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL BNP Paribas (" <b>BGL</b> ") dated 3 June 2013 as approved by the AMF with visa number 13-259
July 2013 Note Conditions	Pages 5 to 6 of the supplement dated 24 July 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-416
September 2013 Note Conditions	Page 12 of the supplement dated 12 September 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-490
November 2013 Note Conditions	Pages 11 to 21 of the supplement dated 12 November 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-589
December 2013 Note Conditions	Pages 9 to 17 of the supplement dated 20 December 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-654
January 2014 Note Conditions	Pages 9 to 15 of the supplement dated 10 January 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 14-008
April 2014 Note Conditions	Pages 28 and 46 to 61 of the supplement dated 11 April 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the

	AMF with visa number 14-145
June 2014 Note Conditions	Pages 339 to 402 and 540 to 796 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-276
5 September 2014 Note Conditions	Page 15 of the supplement dated 5 September 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-485
22 September 2014 Note Conditions	Pages 12 to 157 of the supplement dated 22 September 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-510
October 2014 Note Conditions	Pages 21 to 100 of the supplement dated 10 October 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-543
November 2014 Note Conditions	Pages 10 to 13 of the supplement dated 7 November 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-593
February 2015 Note Conditions	Pages 19 to 21 of the supplement dated 10 February 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 15-049
June 2015 Note Conditions	Pages 455 to 1055 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-262
November 2015 Note Conditions	Pages 18 and 20 of the supplement dated 10 November 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-568
February 2016 Note Conditions	Pages 193, 194 and 197 of the supplement dated 29 February 2016 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 16-065
<b><i>Previous Form of Final Terms for Notes</i></b>	
June 2013 Form of Final Terms for Notes	Pages 162 to 207 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-259
December 2013 Form of Final Terms for Notes	Page 7 of the supplement dated 20 December 2013 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 3 June 2013 as approved by the AMF with visa number 13-687
June 2014 Form of Final Terms for Notes	Pages 202 to 259 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as

	approved by the AMF with visa number 14-276
August 2014 Form of Final Terms for Notes	Pages 21 to 22 of the supplement dated 7 August 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-457
22 September 2014 Form of Final Terms for Notes	Pages 8 to 9 of the supplement dated 22 September 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-510
October 2014 Form of Final Terms for Notes	Pages 14 to 19 of the supplement dated 10 October 2014 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 14-543
February 2015 Form of Final Terms for Notes	Pages 13 to 14 of the supplement dated 10 February 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 5 June 2014 as approved by the AMF with visa number 15-049
June 2015 Form of Final Terms for Notes	Pages 219 to 281 of the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-262
September 2015 Form of Final Terms for Notes	Pages 20 to 21 of the supplement dated 10 September 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-478
November 2015 Form of Final Terms for Notes	Page 15 of the supplement dated 10 November 2015 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 15-568
March 2016 Form of Final Terms for Notes	Pages 28 of the supplement dated 30 March 2016 to the base prospectus of BNPP B.V., BNPP, BP2F, BNPPF and BGL dated 9 June 2015 as approved by the AMF with visa number 16-111
<b><i>Offers Extending Beyond the Validity of the Base Prospectus</i></b>	
<b>ISIN</b>	<b>Website</b>
XS1313813013	<a href="http://eqdpo.bnpparibas.com/XS1313813013">http://eqdpo.bnpparibas.com/XS1313813013</a>
FR0013136314	<a href="http://eqdpo.bnpparibas.com/FR0013136314">http://eqdpo.bnpparibas.com/FR0013136314</a>
XS1313830371	<a href="http://eqdpo.bnpparibas.com/XS1313830371">http://eqdpo.bnpparibas.com/XS1313830371</a>
XS1313830538	<a href="http://eqdpo.bnpparibas.com/XS1313830538">http://eqdpo.bnpparibas.com/XS1313830538</a>
FR0013140936	<a href="http://eqdpo.bnpparibas.com/FR0013140936">http://eqdpo.bnpparibas.com/FR0013140936</a>
XS1313831775	<a href="http://eqdpo.bnpparibas.com/XS1313831775">http://eqdpo.bnpparibas.com/XS1313831775</a>
XS1313839752	<a href="http://eqdpo.bnpparibas.com/XS1313839752">http://eqdpo.bnpparibas.com/XS1313839752</a>
XS1313834100	<a href="http://eqdpo.bnpparibas.com/XS1313834100">http://eqdpo.bnpparibas.com/XS1313834100</a>
FR0013173044	<a href="http://eqdpo.bnpparibas.com/XS1313837970">http://eqdpo.bnpparibas.com/XS1313837970</a>

XS1186816143	<a href="http://eqdpo.bnpparibas.com/XS1186816143">http://eqdpo.bnpparibas.com/XS1186816143</a>
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<b>Information Incorporated by Reference</b>	<b>Reference</b>
<b>BNP PARIBAS</b>	
<b><i>BNPP 2014 REGISTRATION DOCUMENT</i></b>	
Profit and loss account for the year ended 31 December 2014	Page 138 of the BNPP 2014 Registration Document
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 139 of the BNPP 2014 Registration Document
Balance sheet at 31 December 2014	Page 140 of the BNPP 2014 Registration Document
Cash flow statement for the year ended 31 December 2014	Page 141 of the BNPP 2014 Registration Document
Statement of changes in shareholders' equity between 1 January 2013 and 31 December 2014	Pages 142 to 143 of the BNPP 2014 Registration Document
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 144 to 240 of the BNPP 2014 Registration Document
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2014	Pages 241 to 242 of the BNPP 2014 Registration Document
Chapter 5 ("Risks and Capital Adequacy")	Pages 243 to 382 of the BNPP 2014 Registration Document
<b><i>BNPP 2015 REGISTRATION DOCUMENT</i></b>	
<i>Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004</i>	
<b>3. Risk Factors</b>	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	Pages 233 to 398 of the BNPP 2015 Registration Document
<b>4. Information about the Issuer</b>	
4.1. History and development of the Issuer	Pages 5 and 6 of the BNPP 2015 Registration Document
4.1.1. The legal and commercial name of the Issuer	Page 519 of the BNPP 2015 Registration Document
4.1.2. The place of registration of the Issuer and its registration number;	Pages 519 and 538 (back cover) of the BNPP 2015 Registration Document
4.1.3. The date of incorporation and the length of life of the Issuer, except where indefinite;	Page 519 of the BNPP 2015 Registration Document
4.1.4.  - the domicile and legal form of the Issuer, - the legislation under which the Issuer operates, - its country of incorporation, and	Pages 519 and 538 (back cover) of the BNPP 2015 Registration Document

- the address and telephone number of its registered office (or principal place of business if different from its registered office).	
4.1.5. Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Page 125 of the BNPP 2015 Registration Document
<b>5. Business Overview</b>	
5.1.1. A brief description of  - the Issuer's principal activities stating, - the main categories of products sold and/or services performed.	Pages 6 to 15, 159 to 171 and 512 to 518 of the BNPP 2015 Registration Document
5.1.2. An indication of any significant new products and/or activities.	Pages 6 to 15, 159 to 171 and 512 to 518 of the BNPP 2015 Registration Document
5.1.3. A brief description of the principal markets in which the Issuer competes.	Pages 6 to 15, 159 to 171 and 512 to 518 of the BNPP 2015 Registration Document
5.1.4. The basis for any statements in the registration document made by the Issuer regarding its competitive position.	Pages 6 to 15 and 106 to 116 of the BNPP 2015 Registration Document
<b>6. Organisational Structure</b>	
6.1. If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	Page 4 of the BNPP 2015 Registration Document
6.2. If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Page 510 of the BNPP 2015 Registration Document
<b>7. Trend Information</b>	
7.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	Pages 126 to 127 of the BNPP 2015 Registration Document
<b>8. Profit Forecasts or Estimates</b>	
8.1. A statement setting out the principal assumptions upon which the Issuer has based its forecast, or estimate.  There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily understandable by investors; be specific and precise; and not relate to the general accuracy of the estimates underlying the forecast.	N/A

<p>8.2. A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.</p> <p>Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to be published in the next annual audited financial statements for the previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:</p> <p>(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;</p> <p>(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;</p> <p>(c) this financial information has not been audited.</p>	<p>N/A</p>
<p>8.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.</p>	<p>N/A</p>
<p><b>9. Administrative, Management, and Supervisory Bodies</b></p>	
<p>9.1 Names, business addresses and functions in the Issuer of the members of the administrative, management or supervisory bodies, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:</p> <p>(a) members of the administrative, management or supervisory bodies;</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital.</p>	<p>Pages 30 to 45 and 101 of the BNPP 2015 Registration Document</p>

9.2. Administrative, Management, and Supervisory bodies conflicts of interests.  Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated.  In the event that there are no such conflicts, make a statement to that effect.	Pages 46 to 68 and 72 to 74 of the BNPP 2015 Registration Document
<b>10. Major Shareholders</b>	
10.1. To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	Pages 16 to 17 of the BNPP 2015 Registration Document
10.2. A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	Page 17 of the BNPP 2015 Registration Document
<b>2015 FINANCIAL STATEMENTS</b>	
Profit and loss account for the year ended 31 December 2015	Page 132 of the BNPP 2015 Registration Document
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 133 of the BNPP 2015 Registration Document
Balance sheet at 31 December 2015	Page 134 of the BNPP 2015 Registration Document
Cash flow statement for the year ended 31 December 2015	Page 135 of the BNPP 2015 Registration Document
Statement of changes in shareholders' equity between 1 January 2015 and 31 December 2015	Pages 136 and 137 of the BNPP 2015 Registration Document
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 138 to 230 of the BNPP 2015 Registration Document
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2015	Pages 231 and 232 of the BNPP 2015 Registration Document
<i>First Update to the BNPP 2015 Registration Document</i>	
Quarterly Financial Information	Pages 4 to 64 of the First Update to the BNPP 2015 Registration Document
Risk factors	Pages 65, 66 to 71 of the First Update to the BNPP 2015 Registration Document
Remuneration and benefits	Pages 72 to 86 of the First Update to the BNPP 2015 Registration Document
Legal and arbitration proceedings	Page 87 of the First Update to the BNPP 2015 Registration Document

Documents on display	Page 88 of the First Update to the BNPP 2015 Registration Document
Significant change in the issuer's financial or trading position	Page 88 of the First Update to the BNPP 2015 Registration Document
Additional Information	Page 65 of the First Update to the BNPP 2015 Registration Document
Statutory Auditors	Page 89 of the First Update to the BNPP 2015 Registration Document
<b>BNP PARIBAS ARBITRAGE ISSUANCE B.V.</b>	
<b><i>2014 BNPP B.V. Annual Report</i></b>	
Managing Director's Report	Pages 3 to 4 of the 2014 BNPP B.V. Annual Report
Balance Sheet at 31 December 2014	Page 5 of the 2014 BNPP B.V. Annual Report
Profit & Loss Account for the year ended 31 December 2014	Page 6 of the 2014 BNPP B.V. Annual Report
Cashflow Statement for the year ended 31 December 2014	Page 7 of the 2014 BNPP B.V. Annual Report
Shareholder's equity	Page 8 of the 2014 BNPP B.V. Annual Report
Notes/Other Information	Pages 9 to 17 of the 2014 BNPP B.V. Annual Report
Auditor's Report of the Financial Statements of BNPP B.V. for the year ended 31 December 2014	Pages 18 to 22 of the 2014 BNPP B.V. Annual Report
<b><i>2015 BNPP B.V. Annual Report</i></b>	
Managing Director's Report	Pages 3 to 4 of the 2015 BNPP B.V. Annual Report
Balance Sheet at 31 December 2015	Page 5 of the 2015 BNPP B.V. Annual Report
Profit & Loss Account for the year ended 31 December 2015	Page 6 of the 2015 BNPP B.V. Annual Report
Cashflow Statement for the year ended 31 December 2015	Page 7 of the 2015 BNPP B.V. Annual Report
Shareholder's equity	Page 8 of the 2015 BNPP B.V. Annual Report
Notes/Other Information	Pages 9 to 17 of the 2015 BNPP B.V. Annual Report
Auditor's Report of the Financial Statements of BNPP B.V. for the year ended 31 December 2015	Pages 18 to 21 of the 2015 BNPP B.V. Annual Report
<b>BNP PARIBAS FORTIS SA/NV</b>	
<b><i>2014 BNPPF Annual Report</i></b>	
The audited consolidated profit and loss account of BNPPF for the financial year ended 31 December 2014	Page 44 of the 2014 BNPPF Annual Report
The statement of net income and changes in assets and liabilities recognised directly in equity of BNPPF for the financial year ended 31 December 2014	Page 45 of the 2014 BNPPF Annual Report
The balance sheet of BNPPF for the financial year ended 31 December 2014	Page 46 of the 2014 BNPPF Annual Report
Statement of changes in shareholders' equity between 1 January 2013 and 31 December 2014	Page 47 of the 2014 BNPPF Annual Report
The audited consolidated statement of cash flows of	Page 49 of the 2014 BNPPF Annual Report

BNPPF for the financial year ended 31 December 2014	
The notes to the consolidated balance sheet and income statement for the financial year ended 31 December 2014, the segment content, risk management and capital adequacy, financing and guarantee commitments, salaries and employee benefits and additional information	Pages 51-220 of the 2014 BNPPF Annual Report
The joint statutory auditor's report to the general shareholder's meeting on the consolidated financial statements of BNPPF as of and for the year ended 31 December 2014 (including their opinion with explanatory paragraphs)	Pages 225-229 of the 2014 BNPPF Annual Report
The sections headed 'Indemnification of Directors' and 'Remuneration and benefits awarded to the BNPPF Directors' describing decisions of the Board of BNPPF of 10 July 2014 and 20 March 2014 respectively	Pages 235-236 of the 2014 BNPPF Annual Report
<b>2015 BNPPF Annual Report</b>	
The Consolidated Annual Report 2015	Pages 9 to 42 of the 2015 BNPPF Annual Report
The Consolidated Financial Statements 2015	Pages 43 to 48 of the 2015 BNPPF Annual Report
Notes to the consolidated financial statements 2015	Pages 49 to 154 of the 2015 BNPPF Annual Report
Risk factors	Pages 155 to 204 of the 2015 BNPPF Annual Report
The report of the accredited statutory auditors	Pages 205 to 208 of the 2015 BNPPF Annual Report
Report from the Board of Directors	Pages 210 to 216 of the 2015 BNPPF Annual Report
The Annual Report 2015 (non-consolidated)	Pages 209 to 216 of the 2015 BNPPF Annual Report
Balance sheet	Page 218 of the 2015 BNPPF Annual Report
The Financial Statements 2015 (non-consolidated)	Pages 217 to 278 of the 2015 BNPPF Annual Report
The Report of the accredited statutory auditors	Pages 279 to 282 of the 2015 BNPPF Annual Report
Other information	Pages 283 to 291 of the 2015 BNPPF Annual Report
<b>BNP PARIBAS FORTIS FUNDING</b>	
<b>2014 BP2F Audited Annual Accounts</b>	
Report from the Board of Directors	Pages 1 to 12 of the 2014 Audited Annual Accounts
The unqualified auditor's report to the audited annual accounts for the financial year ended 31 December 2014	Pages 1 to 2 of the 2014 Audited Annual Accounts (following the Report from the Board of Directors and the table of contents)
The balance sheet and profit and loss account	Pages 3 to 5 of the 2014 Audited Annual Accounts (following the Report from the Board of Directors and the table of contents)
Notes to the Annual Accounts for the year ended 31 December 2014	Pages 6 to 15 of the 2014 Audited Annual Accounts (following the Report from the Board of Directors and the table of contents)
<b>2015 BP2F Audited Annual Accounts</b>	
Report from the Board of Directors	Pages 1 and 2 of the 2015 Audited Annual Accounts
The unqualified auditor's report to the audited annual	Pages 3 to 15 of the 2015 Audited Annual Accounts

accounts for the financial year ended 31 December 2015	(following the Report from the Board of Directors and the table of contents)
The balance sheet and profit and loss account	Pages 16 to 18 of the 2015 Audited Annual Accounts (following the Report from the Board of Directors and the table of contents)
Notes to the Annual Accounts for the year ended 31 December 2015	Pages 19 to 28 of the 2015 Audited Annual Accounts (following the Report from the Board of Directors and the table of contents)
<b><i>BP2F 2014 Cash Flow Statements</i></b>	
Report of the Réviseur d'Enterprises Agréé in accordance with International Standard on Auditing 805	Pages 1 to 2 of the BP2F 2014 Cash Flow Statements
Statement of cash flows for the year ended 31 December 2014	Page 3 of the BP2F 2014 Cash Flow Statements
Notes to the statement of cash flows	Pages 4 to 5 of the BP2F 2014 Cash Flow Statements
<b><i>BP2F 2015 Cash Flow Statements</i></b>	
Report of the Réviseur d'Enterprises Agréé in accordance with International Standard on Auditing 805	Pages 1 to 2 of the BP2F 2015 Cash Flow Statements
Statement of cash flows for the year ended 31 December 2015	Page 3 of the BP2F 2015 Cash Flow Statements
Notes to the statement of cash flows	Pages 4 to 5 of the BP2F 2015 Cash Flow Statements

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

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

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

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

<b>Issuers</b>	BNP Paribas Arbitrage Issuance B.V. (" <b>BNPP B.V.</b> ")  BNP Paribas Fortis Funding (" <b>BP2F</b> ")
<b>Guarantors</b>	BNP Paribas (" <b>BNPP</b> " and, together with its consolidated subsidiaries, the " <b>Group</b> ").  BNP Paribas Fortis SA/NV (" <b>BNPPF</b> ")
<b>Description of the Securities under this Base Prospectus</b>	Notes issued under the Note, Warrant and Certificate Programme
<b>Securities</b>	Securities may be issued as Index Securities, Share Securities, ETI Securities, Debt Securities, Commodity Securities, Inflation Index Securities, Currency Securities, Fund Securities, Credit Securities, Futures Securities, Underlying Interest Rate Securities, or any other or further type of notes, including Hybrid Securities where the Underlying Reference may be any combination of such indices (or index futures or options contracts), shares, interests in exchange traded instruments, debt instruments (or debt futures or options contracts), commodities, inflation indices, currencies, funds, futures contracts, underlying interest rates or other asset classes or types.
<b>Minimum denomination of Securities issued by BP2F</b>	If Securities issued by BP2F are admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination will be euro 1,000 (or, if denominated in a currency other than euro, the equivalent amount in such currency).
<b>Governing Law</b>	The Securities and any related Guarantee will be governed by English law as specified in the applicable Final Terms.
<b>Payout Methodology</b>	The amount(s) (if any) payable or deliverable, as applicable, under the Securities will be comprised of the following components (each a " <b>Product Component</b> "): <ul style="list-style-type: none"><li>(i) on final redemption, the Final Redemption Amount (see Condition 5 (<i>Redemption and Purchase</i>) and Payout Conditions 1.1, 2.2, 3.3);</li><li>(ii) if Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Automatic Early Redemption Amount, (see Condition 12 (<i>Automatic Early Redemption Event</i>) and Payout Conditions 1.2, 2.3 and 3.4);</li><li>(iii) if an Issuer Call Option, Noteholder Put Option or Holder Put Option is specified as applicable in the applicable Final Terms, the relevant Optional Redemption Amount (see Condition 5 (<i>Redemption and Purchase</i>) and Payout Conditions 1.3, 1.6 and 2.3);</li></ul>

- (iv) in the case of Physical Delivery Securities, the Entitlement (see Condition 5 (*Redemption and Purchase*) and Payout Conditions 1.7 and 2.4); and/or
- (v) in the case of Securities paying interest, the interest amount (see Conditions 3.1 (*Interest on Fixed Rate Notes*), 3.2(c) (*Determination of Rate of Interest and Calculation of Interest Amount*) and 3.3(c) (*Determination of Rate of Interest and Calculation of Interest Amount*) and Payout Conditions 2.1 and 3.1).

The terms of a Series of Securities are comprised of (i) the Conditions, (ii) the Annex relevant to the relevant Underlying References and (iii) if selected in the applicable Final Terms, the Interest Rate and/or Payout(s) selected from Annex 1 to the Conditions (the "**Payout Annex**") specified in the applicable Final Terms and the related variables specified in the applicable Final Terms (including the relevant valuation provisions) for such Interest Rate and/or Payout(s) (as selected from the Payout Annex).

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

#### **Exempt Securities**

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

## SECURITY AND COLLATERAL IN RESPECT OF SECURED SECURITIES

The following shall apply to Secured Securities only to which one of Part A, B or C of Annex 13 (Additional Terms and Conditions for Secured Securities) applies. The following does not apply to Secured Securities to which Part D of Annex 13 (Additional Terms and Conditions for Secured Securities) applies.

### General

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

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

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

Securities Value prior to such adjustment or will be entitled to remove Collateral Assets from the Collateral Account if the Collateral Value is in excess of the Securities Value prior to such adjustment. Following such adjustment in respect of Collateral Assets on any Collateral Valuation Date, the Collateral Value is expected to be equal to the Securities Value.

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

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

#### **Delivery of Collateral Assets**

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

#### **Calculations**

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

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

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

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

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

## Substitutions

In the period between Collateral Valuation Dates, BNPP B.V. may withdraw Collateral Assets from any Collateral Account but only if it replaces them with alternative Collateral Assets which have at least the same marked to market value (as of the previous Collateral Valuation Date) as those being replaced (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 and where there are no Collateral Valuation Dates).

### *Collateralisation – Nominal Value Collateral Asset Linked Securities and Partial Nominal Value Collateral Asset Linked Securities*

Where the Secured Securities are Nominal Value Collateral Asset Linked Securities, in respect of the aggregate Nominal Amount of any Placed Secured Securities which are secured by the relevant Collateral Pool, the Issuer will hold an aggregate nominal amount of the Reference Collateral Assets, at least equal to the aggregate Nominal Amount of such Placed Secured Securities which are secured by the relevant Collateral Pool.

Where the Secured Securities are Partial Nominal Value Collateral Asset Linked Securities, the Issuer will hold an aggregate nominal amount of the Reference Collateral Assets, at least equal to the product of the aggregate Nominal Amount of such Placed Secured Securities which are secured by the relevant Collateral Pool and the relevant Partial Collateralisation Level.

BNPP B.V. will not hold any Collateral Assets in respect of the Option nor will it hold Collateral Assets in respect of (i) the aggregate Nominal Amount of the Secured Securities that are held by BNPP B.V. or any of its Affiliates and (ii) in the case of Partial Nominal Collateral Asset Linked Securities, the proportion of the aggregate Nominal Amount of the Placed Secured Securities equal to 100 per cent less the Partial Collateralisation Level.

BNPP B.V. will transfer into the relevant 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 Nominal Amount of the Placed Secured Securities (or, as the case may be, the relevant part of such aggregate Nominal Amount of the Placed Secured Securities) which are secured by the relevant Collateral Pool on such date. Where BNPP B.V. or any of its Affiliates acquires Secured Securities after the Initial Posting Date, BNPP B.V. will be entitled to withdraw an aggregate nominal amount of Reference Collateral Assets equal to the aggregate Nominal Amount of the Secured Securities so acquired (or, as the case may be, the relevant part of such aggregate Nominal Amount of the Secured Securities), provided that BNPP B.V. shall always hold in the Collateral Account an aggregate nominal amount of the Reference Collateral Assets at least equal to, at any time, the aggregate Nominal Amount of the Placed Secured Securities (or, as the case may be, the relevant part of such aggregate Nominal Amount of the Placed Secured Securities).

## Enforcement

Upon receipt of a notice from a Holder that an Event of Default has occurred (a "**Default Notification**"), BNPP B.V. may deliver a notice to the Collateral Agent and the relevant Holder stating that, in its reasonable belief, the relevant Event of Default has not occurred (such a notice, an "**Event Dispute Notice**"). If the Collateral Agent does not receive an Event Dispute Notice at or prior to the end of the Dispute Period, the Collateral Agent will deliver a notice to, among others, BNPP B.V. and the Collateral Custodian specifying that a Default Notification has been delivered, that no Event Dispute Notice has been received from BNPP B.V. within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable (an "**Enforcement Notice**"). The Holders will receive a copy of such Enforcement Notice. Following delivery of an Enforcement Notice, the Collateral Agent will enforce the Security Agreement(s) in accordance with the terms thereof and will liquidate or realise the Collateral Assets in all the Collateral Pools, or appoint an agent to do so on its behalf, save where Physical Delivery of Collateral

is specified as applicable to a series of Secured Securities, in which case the portion of the Collateral Assets held in respect of series of Secured Securities secured by the relevant Collateral Pool which are subject to Collateral Cash Settlement (if any) only will be liquidated. In accordance with the terms of the Secured Securities, the Collateral Agent will distribute the proceeds of such liquidation or realisation of a Collateral Pool to the Holders of the Secured Securities secured by such Collateral Pool where such Secured Securities are subject to Collateral Cash Settlement or, where Physical Delivery of Collateral is specified as applicable, arrange for delivery of the Collateral Assets in the relevant Collateral Pool or the portion of the Collateral Assets held in respect of series of Secured Securities which are subject to Physical Delivery of Collateral (where the Collateral Pool secures series of Secured Securities to which both Collateral Cash Settlement and Physical Delivery of Collateral applies) to the relevant Holders, in each case after payment of any costs and fees incurred in connection with the enforcement of the Security Agreement and, where applicable, after payment of any other amount which is payable in priority thereto in accordance with the applicable Priority of Payments set out in the applicable Final Terms or, as applicable, the applicable Collateral Security Conditions. The Collateral Assets in one Collateral Pool and the proceeds of enforcement from that Collateral Pool (if any) will not be available to satisfy amounts due in respect of any Secured Securities which are not secured by that Collateral Pool.

### **Collateral Asset Linked Securities**

Where the relevant Secured Securities are Collateral Asset Linked Securities, the paragraphs entitled "Adjustments to Collateral Pool where the Collateral Assets are securities" and "Adjustments to Collateral Pool where the Collateral Asset is a cash deposit" above will not apply.

#### *Collateralisation – Collateral Asset Linked Securities other than Nominal Value Collateral Asset Linked Securities or Partial Nominal Value Collateral Asset Linked Securities*

In respect of the aggregate Nominal Amount of any Secured Securities held by parties other than BNPP B.V. or any of its Affiliates (such Secured Securities, the "**Placed Secured Securities**") which are secured by the relevant Collateral Pool, Nominal Value Collateralisation will apply (the "**Nominal Value Collateralisation Element**").

In addition, BNPP B.V. will enter into an option with an affiliate of BNP Paribas to hedge its obligations to pay Scheduled Underlying Reference Linked Payments in respect of the Securities (the "**Option**"). The Issuer will hold in the Collateral Account sufficient MTM Adjustable Assets (not including, for the avoidance of doubt, the Reference Collateral Assets that are held in the Collateral Account to collateralise the aggregate Nominal Amount of the Placed Secured Securities) to collateralise the marked-to-market value of the portion of the Option that relates to the Placed Secured Securities (the "**MTM Collateralisation Element**").

In respect of (i) the aggregate Nominal Amount of the Secured Securities that are held by BNPP B.V. or any of its Affiliates and (ii) the portion of the Option that relate to Securities held by BNPP B.V. or any of its Affiliates, BNPP B.V. will hold no Collateral Assets. Following an Enforcement Event, BNPP B.V. or the Affiliate of BNPP B.V. that holds the Secured Securities shall renounce and waive all rights (including as to payment) in respect of such Securities and shall submit such Secured Securities for cancellation free of payment.

In respect of the Nominal Value Collateralisation Element, BNPP B.V. will transfer into the relevant Collateral Account on the date specified in the Final Terms (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 Nominal Amount of the Placed Secured Securities which are secured by the relevant Collateral Pool on such date. Where BNPP B.V. or any of its Affiliates acquires Secured Securities after the Initial Posting Date, BNPP B.V. will be entitled to withdraw an aggregate nominal amount of Reference Collateral Assets equal to the aggregate Nominal Amount of the Secured Securities so acquired, provided that BNPP B.V. shall always hold in the Collateral Account an aggregate nominal amount of the Reference Collateral Assets at least equal to, at any time, the aggregate Nominal Amount of the Placed Secured Securities.

In respect of the MTM Collateralisation Element, BNPP B.V. 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 Nominal Amount of the Placed Secured Securities) 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.

#### *Enforcement*

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

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

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

#### **Acquisition of Collateral Assets**

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

#### *Swap Agreement*

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

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

### *Credit Support Document*

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

### *Repurchase Agreement*

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

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

### *Margin maintenance*

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

## **SECURITY AND COLLATERAL IN RESPECT OF SECURED SECURITIES WHICH ARE NOMINAL VALUE REPACK SECURITIES**

The following shall apply to Secured Securities only which are Nominal Value Repack Securities and shall not apply to Secured Securities to which Parts A, B or C of Annex 13 (Additional Terms and Conditions for Secured Securities) are applicable.

### **General**

References herein to "Issuer" means BNPP B.V. only.

Only BNPP B.V. may issue Secured Securities. In order to secure its obligations in respect of the Secured Securities, BNPP B.V. will enter into security trust terms governed by English law (the "**Security Trust Deed Terms**") with The Law Debenture Trust Corporation p.l.c. (the "**Security Trustee**").

In respect of each series of Secured Securities BNPP B.V. will enter into one or more pledge agreements with the Security Trustee which will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law (each a "**Pledge Agreement**"). Under the Pledge Agreement, BNPP B.V. will grant first ranking security over securities held in securities accounts, or cash accounts (each a "**Collateral Account**") held by BNPP B.V. with BNP Paribas Securities Services, Luxembourg Branch or such other custodian as is specified for the relevant Collateral Pool in the applicable Final Terms (each a "**Collateral Custodian**") in favour of the Security Trustee on behalf of itself, the relevant Holders and other Secured Parties (including the Swap Counterparty). In addition, the Issuer will grant security in favour of the Security Trustee (for itself and for and on behalf of the other Secured Parties) over its rights against the Swap Counterparty and any other Related Agreement Counterparty pursuant to a security trust deed (which will incorporate the Security Trust Deed Terms) governed by English law (the "**Security Trust Deed**" and, together with the Pledge Agreement and any other security agreement entered into by the Issuer relating to the relevant series of Secured Securities, each an "**Security Agreement**").

In each Collateral Account, BNPP B.V. will hold securities which, upon delivery to the relevant Collateral Account, are Eligible Collateral (the "**Reference Collateral Assets**") in an amount equal to the nominal value of such Secured Securities ("**Nominal Value Collateralisation**") or part of the nominal value of such Secured Securities ("**Partial Nominal Value Collateralisation**") or, where the Issuer acquires the Reference Collateral Assets pursuant to a Repurchase Agreement, with a marked to market value equal to the Purchase Price. Whether Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable to a series of Secured Securities will be specified in the applicable Final Terms. Multiple series of Secured Securities may be secured by the Collateral Assets held in a single Collateral Account (each a "**Collateral Pool**") if so specified in the relevant Final Terms provided that the Reference Collateral Assets specified as relating to a specific series of Secured Securities shall not be available (whether by delivery thereof or payment of the realisation proceeds) to meet claims of any secured party in respect of any other series of Secured Securities.

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

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

Where Group Collateralisation is specified to be not applicable, following an Enforcement Event or an Early Redemption Event, BNPP B.V. or the Affiliate of BNPP B.V. that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment.

## **Enforcement**

Upon the occurrence of an Event of Default, the Security Trustee at its discretion may, and if so requested in writing by the Holders of at least one-fifth in number of the outstanding Secured Securities, or if so directed by an Extraordinary Resolution of such Holders, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) deliver a notice (an "**Acceleration Notice**") to the Issuer, the Principal Paying Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) that each relevant series of Secured Securities secured by the Collateral Pool which is the subject of the Acceleration Notice shall forthwith 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). The Holders will receive a copy of such Acceleration Notice.

Following delivery of an Acceleration Notice, the Security Trustee at its discretion may, and if so requested in writing by the Holders of at least one-fifth in number of the outstanding Secured Securities, or if so directed by an Extraordinary Resolution of such Holders, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) enforce the Security Agreement(s) in accordance with the terms thereof and will liquidate or realise the Collateral Assets in the relevant Collateral Pools, or appoint an agent to do so on its behalf. Where Physical Delivery of Collateral is specified as applicable to a series of Secured Securities, only the portion of the Collateral Assets which are not Reference Collateral Assets held in respect of series of Secured Securities secured by the relevant Collateral Pool will be liquidated (if any).

In accordance with the terms of the Secured Securities, the Security Trustee will:

- (i) distribute the proceeds of such liquidation or realisation of a Collateral Pool to the Holders of the Secured Securities secured by such Collateral Pool or,
- (ii) where Physical Delivery of Collateral is specified as applicable, arrange for delivery of the Collateral Assets in the relevant Collateral Pool to the relevant Holders,

in each case after payment of any costs and fees incurred in connection with the enforcement of the Security Agreements and after payment of any other amount which is payable in priority thereto in accordance with the applicable Priority of Payments specified in the applicable Final Terms. The Reference Collateral Assets in one Collateral Pool and the proceeds of enforcement from that Collateral Pool (if any) will only be available to satisfy amounts due in respect of the Secured Securities to which such Reference Collateral Assets relate and they will not be available to satisfy amounts due to other series of Secured Securities in respect of which they are not specified as Reference Collateral Assets or which are not secured by that Collateral Pool.

## **Acquisition of Reference Collateral Assets**

BNPP B.V. may acquire the Reference Collateral Assets in a number of ways including by entering into repurchase agreements or swap agreements or any other agreements with BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of the Issuer or such other entities as it deems appropriate from time to time. See "Description of the Charged Assets" below for a description of the different arrangements the Issuer may enter into and associated cashflows. Payments received in respect of Reference Collateral Assets and to be made between the Issuer and any Related Agreement Counterparty will be dealt with in the manner set out in the relevant Related Agreement and/or may be the subject of a netting arrangement between, inter alios, the Issuer, the relevant Related Agreement Counterparties, the Principal Paying Agent and the Collateral Custodian.

## **DESCRIPTION OF THE CHARGED ASSETS**

### **PART I - GENERAL**

The below description relates to Secured Securities which are Nominal Value Repack Securities to which Part D of Annex 13 (Additional Terms and Conditions for Secured Securities) applies

The Issuer will meet its obligations to pay the relevant amounts it is due to pay in respect of the Secured Securities using the payments it receives from the obligors under the Charged Assets specified in the Final Terms for the relevant series of Secured Securities. The Issuer will also grant security over the Charged Assets in the manner set out in the Collateral Security Conditions.

The specific obligors under the Charged Assets will be specified in the applicable Final Terms however such obligors will be one or more corporate, bank or other financial institution, government, governmental agency, trust, fund, municipal entity, sovereign or supranational entity provided that such obligors have securities already admitted to trading on a regulated or equivalent market or the obligations are guaranteed by an entity admitted to trading on a regulated or equivalent market. Where the Reference Collateral Assets are equity securities and/or debt securities specified as "Reference Collateral Assets" in the applicable Final Terms, such securities shall be traded on a regulated or equivalent market.

## DESCRIPTION OF THE CHARGED ASSETS

### PART II - DESCRIPTION OF THE SWAP AGREEMENT

*The following description of the Swap Agreement which the Issuer may enter into for each series of Secured Securities should be read in conjunction with the Final Terms for such series of Secured Securities, the applicable Charged Asset Structure and the relevant Credit Support Structure(s) (if any) and together this description, and the applicable Charged Asset Structure, Credit Support Structure(s) (if any) and such Final Terms consists of a summary of certain provisions of such Swap Agreement which is qualified in its entirety by reference to the detailed provisions of such Swap Agreement for each specific series of Secured Securities. The following summary does not purport to be complete, and prospective investors must refer to the applicable Final Terms and the relevant Swap Agreement for detailed information regarding the relevant Swap Agreement.*

#### **Payments under the Swap Agreement**

If so specified in the applicable Final Terms, one of BNP Paribas and BNP Paribas Arbitrage SNC may enter into one or more swap transactions in its capacity as swap counterparty (the "**Swap Counterparty**") with BNPP B.V. as Issuer pursuant to the terms of a 2002 ISDA Master Agreement and a Schedule thereto (the "**Master Agreement**") and confirmation in respect of the relevant transaction (each such agreement, a "**Swap Agreement**").

Each Swap Agreement will be entered into in order to allow the Issuer to exchange certain cashflows received by, or to the order of, the Issuer in respect of the issue of the relevant Secured Securities, the Relevant Collateral Assets, any Repurchase Agreement and/or the proceeds of the issue of the relevant series of Secured Securities in order to hedge the Issuer's obligations under the Secured Securities for that series. In addition, the Issuer may enter into a credit derivative transaction with the Swap Counterparty where the Secured Securities are Credit Nominal Value Repack Securities.

The payments due to be made by the Issuer and the Swap Counterparty in respect of a Swap Agreement are described in Description of Charged Assets - Part V - Charged Asset Structures and the applicable Charged Asset Structure will be set out in the Final Terms for a particular series, together with any information which is unknown relating thereto as at the date of this Base Prospectus.

#### **Termination of Swap Agreement**

The Swap Agreement will terminate on the final date on which a payment may be due thereunder (the "**Scheduled Swap Termination Date**") unless terminated earlier in accordance with the terms thereof.

#### **Early Termination**

Termination of any Swap Agreement prior to the Scheduled Swap Termination Date may occur in certain circumstances, including, without limitation:

- (a) payment defaults by the Issuer or the Swap Counterparty under such Swap Agreement;
- (b) bankruptcy events relating to the Issuer or the Swap Counterparty;
- (c) payment defaults by the Issuer or the Repo Counterparty under the Repurchase Agreement (where applicable);
- (d) repurchase of all relevant Secured Securities by the Issuer;
- (e) the early redemption or an event of default of the series of Secured Securities in respect of which the Swap Agreement has been entered into; and
- (f) tax events relating to the Issuer or the relevant Swap Counterparty.

On an early termination of any Swap Agreement, an amount may be payable either to or by the Issuer in accordance with the terms of the relevant Swap Agreement. Such termination payment, unless otherwise set out in the relevant Swap Agreement, will be an amount payable equal to (a) the sum of (i) the close out amount and (ii) the Unpaid Amounts owing to the non-defaulting (or non-affected) party less (b) the Unpaid Amounts owing to the defaulting (or affected) party. If the amount is positive, the defaulting (or affected) party will pay it to the non-defaulting (or non-affected) party; if it is negative, the non-defaulting (or non-affected) party will pay the absolute value of that amount to the defaulting (or affected) party. In circumstances where both parties are affected parties, both parties will determine their close out amounts and the amount referred to in (a)(i) will be one half of the difference between the higher and lower of the close out amounts calculated.

In summary, the close out amount is the amount of losses or costs (expressed as a positive number) incurred or the gains (expressed as a negative number) realised by the non-defaulting (or non-affected) party in replacing, or in providing for the non-defaulting (or non-affected) party the economic equivalent of the material terms of the terminated transaction and the option rights of the parties in respect of the relevant terminated transaction, ignoring for this purpose any Unpaid Amounts, as determined by the non-defaulting (or non-affected) party in good faith, in accordance with the relevant provisions of the Master Agreement.

**"Unpaid Amounts"** as used in the above paragraph means, with respect to the date on which the Swap Agreement is terminated early (the **"Early Termination Date"**), the aggregate of (a) the amounts that become payable under the terminated transactions (or would have become payable but for the condition precedent contained in the Swap Agreement not being satisfied or the application of provisions relating to deferral of payments to any party) and which remain unpaid as at such Early Termination Date, (b) in respect of each terminated transaction which was required to be settled by delivery (or would have been settled by delivery but for the condition precedent contained in the Swap Agreement not being satisfied or the application of provisions relating to deferral of deliveries) which was not so settled, an amount equal to the fair market value of that which was required to be delivered and (c) if the Early Termination Date results from an event of default, a credit event upon merger event or an additional termination event, any termination payment due prior to such Early Termination Date which remains unpaid as of such Early Termination Date, in each case together with any amount of interest accrued in accordance with the terms of the Swap Agreement.

Upon an early termination of a Swap Agreement, there is no assurance that any termination payment payable by the Swap Counterparty to the Issuer will be sufficient to allow the Issuer to pay any amounts that would otherwise have been due in respect of the Secured Securities.

The early termination of the Swap Agreement will, if Related Agreement Termination Event is specified to be an Early Redemption Event, constitute an Early Redemption Event in respect of the Secured Securities. The Issuer will not be required to pay a termination payment to the Swap Counterparty greater than the sale proceeds from the Reference Collateral Assets for the relevant series which are sold following the occurrence of a relevant Early Redemption Event.

### **Collateralisation**

The Swap Counterparty may be required to provide collateralisation in respect of its obligations under the relevant Swap Agreement. Collateralisation may be provided: (a) under a 1995 ISDA Credit Support Annex (Transfer – English law) (a **"Credit Support Annex"**); or (b) a 1995 ISDA Credit Support Deed (Security Interest – English law) (a **"Credit Support Deed"**).

The amount of any collateralisation and the circumstances in which it is payable or deliverable will be set out in the Credit Support Structure specified as being applicable in the applicable Final Terms. The custodian of Swap Counterparty Collateral posted under a Credit Support Annex or Credit Support Deed will be the Collateral Custodian. Any Swap Counterparty Collateral posted pursuant to a Credit Support Annex and/or any rights of the Issuer under any Credit Support Deed will be secured by a pledge on such Swap Counterparty Collateral or an assignment of such rights in favour of the Security Trustee for itself and for on and on behalf of the relevant Secured Parties.

Under the Credit Support Deed or Credit Support Annex, the Swap Counterparty is entitled to substitute Swap Counterparty Collateral with the consent of the Issuer provided any replacement Swap Counterparty Collateral has a market value (as determined by the Credit Support Valuation Agent under the Credit Support Deed or Credit Support Annex, as the case may be) at least equal to the value of the Swap Counterparty Collateral which has been substituted and meets any other criteria specified in the Credit Support Deed or the Credit Support Annex, as applicable. The Security Trustee is not responsible for monitoring the market value of, or verifying the eligibility of, the Swap Counterparty Collateral or any replacement Swap Counterparty Collateral, and is entitled to rely on certificates of the Credit Support Valuation Agent or Swap Counterparty without further investigation or enquiry.

If a Credit Support Deed is entered into, under such Credit Support Deed the Swap Counterparty will post Swap Counterparty Collateral in respect of its obligations under the Swap Agreement and grant English law governed security over such Swap Counterparty Collateral in favour of the Issuer. The amount of credit support to be provided by the Swap Counterparty under a Credit Support Annex or Credit Support Deed will be adjusted on the Swap Agreement Valuation Dates (as defined below) specified in the applicable Final Terms in the manner set out in the applicable Credit Support Structure. Subject to the provisions of the Credit Support Annex or Credit Support Deed, the Issuer will pay all cash, securities or other property it receives in respect of the Swap Counterparty Collateral to the Swap Counterparty. On any Business Day, the Swap Counterparty, pursuant to the terms of the Credit Support Deed or Credit Support Annex, may give notice to the Issuer that it wishes to transfer new Swap Counterparty Collateral to the Issuer in exchange for some or all of the Swap Counterparty Collateral held by, or previously transferred to, the Issuer. On the Business Day immediately following such request (provided that where consent is required from the Issuer, such consent is given), the Issuer will be obliged to transfer collateral (the "**Exchanged Securities**") of the same type, nominal value and amount as those requested by the Swap Counterparty against receipt from the Swap Counterparty of new Swap Counterparty Collateral with a market value (as of the date of such transfer) as close as practicable to, but in any event not less than, as determined by the Credit Support Valuation Agent, the market value (on the previous valuation date under the Swap Agreement) of the Exchanged Securities.

"**MtM Value**" means, with respect to a Swap Agreement Valuation Date under the Credit Support Deed or Credit Support Annex, an amount determined by the Credit Support Valuation Agent in its sole discretion as the amount which would be payable by the Swap Counterparty in respect of the early termination of the Swap Agreement on such Swap Agreement Valuation Date or, as the case may be, where Credit Support Structure 3 is applicable and Issuer may be obliged to provide Issuer Posted Collateral, the amount which would be payable to the Swap Counterparty in respect of the early termination of the Swap Agreement on such Swap Agreement Valuation Date.

For the avoidance of doubt, if Credit Support Structure 3 is applicable, the Issuer may also be required to provide collateralisation in respect of its obligations under the relevant Swap Agreement pursuant to any Credit Support Annex or Credit Support Deed entered into with the Swap Counterparty so that either the Issuer or the Swap Counterparty or both of such parties may be required to provide collateralisation for the their respective obligations under the relevant Swap Agreement.

Where Credit Support Structure 3 is applicable the amount of any collateralisation by the Issuer will be set out in the applicable Final Terms provided that the collateral to be posted by the Issuer will be the Reference Collateral Assets in respect of the relevant Securities to which the Swap Agreement relates (the "**Issuer Posted Collateral**") and provided further that the Issuer shall not be required to post a principal amount of collateral greater than the principal amount of Reference Collateral Assets acquired by the Issuer in respect of the relevant series of Secured Securities to which the Swap Agreement relates or, at the relevant time, then held by the Issuer.

Prior to the occurrence of an Event of Default, where the Issuer is required to deliver Issuer Posted Collateral to the Swap Counterparty under a Credit Support Annex or Credit Support Deed, the security granted over the relevant Collateral Assets in favour of the Security Trustee will automatically be released without requiring the consent of the Security Trustee. Where the Swap Counterparty is obliged under the terms of the Credit Support Annex or Credit Support Deed to pay or deliver securities (which will be equivalent to those securities originally posted by the Issuer)

by way of a return amount, such securities will become subject to the security granted in favour of the Security Trustee by the Issuer in respect of the relevant Collateral Pool.

If a Credit Support Deed is entered into, under such Credit Support Deed the Issuer will post Issuer Posted Collateral for its obligations under the Swap Agreement and grant English law governed security over such Issuer Posted Collateral in favour of the Swap Counterparty. If a Credit Support Annex is entered into, under such Credit Support Annex the Issuer will post Issuer Posted Collateral for its obligations under the Swap Agreement and will do so by transferring title to such Issuer Posted Collateral under the terms of the Credit Support Annex.

The amount of credit support to be provided by the Issuer under a Credit Support Annex or Credit Support Deed will be adjusted on the Swap Agreement Valuation Dates (as defined below) specified in the applicable Final Terms in the manner set out in the applicable Credit Support Structure. Subject to the provisions of the Credit Support Deed or the Credit Support Annex, as the case may be, the Swap Counterparty will pay all cash, securities or other property it receives in respect of the Issuer Posted Collateral to the Issuer.

### **Taxation**

Imposition of withholding taxes on payments made under a Swap Agreement may lead to the early termination of the relevant Swap Agreement.

## DESCRIPTION OF THE CHARGED ASSETS

### PART III - DESCRIPTION OF THE REPURCHASE AGREEMENT

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

#### **Repurchase Agreement**

If so specified in the Final Terms, BNP Paribas (the "**Repo Counterparty**") and the Issuer will enter into one or more master repurchase agreements, in each case substantially in the form of (i) a 2000 TBMA/ISMA Global Master Repurchase Agreement, (ii) an FBF Master Agreement for Purchase Transactions (*Convention Cadre FBF relative aux opérations de pensions livrées*) or (iii) a similar master agreement for repurchase transactions (each as amended, supplemented or otherwise modified from time to time and each a "**Master Repurchase Agreement**"). Pursuant to the Master Repurchase Agreement the Issuer may enter into one or a series of repurchase transactions (each a "**Repo Transaction**") for each series of Secured Securities (together, for each series of Secured Securities, a "**Repurchase Agreement**") with the Repo Counterparty in respect of the securities or other assets specified in the applicable Final Terms (the "**Repo Collateral Securities**"). Under each such Repo Transaction, the Repo Counterparty will be the seller of Repo Collateral Securities which will constitute the Reference Collateral Assets for the relevant series and the Issuer will be the buyer. The Issuer will grant security over its rights under the Repurchase Agreement and over the Reference Collateral Assets purchased thereunder in favour of the Security Trustee for itself and as security trustee for the Secured Parties (for the relevant series of Secured Securities).

Under the Repurchase Agreement, on the Initial Repo Purchase Date specified in the applicable Final Terms for the relevant series of Secured Securities, the Issuer will purchase from the Repo Counterparty the Repo Collateral Securities specified in the applicable Final Terms for a consideration and with a market value equal to the amount set out in the applicable Final Terms.

The first Repo Transaction will commence on the Initial Repo Purchase Date and end on the first Repo Date immediately following the Initial Repo Purchase Date. Each subsequent Repo Transaction (if any) will commence on a Repo Date (in each case, together with the Initial Repo Purchase Date, a "**Purchase Date**") and end on the next following Repo Date (in each case, together with the first Repo Date, a "**Repurchase Date**") with the last such Repo Transaction terminating on the Final Repo Date. On each Repurchase Date for each series of Secured Securities, the Repo Counterparty will repurchase securities equivalent to the Repo Collateral Securities sold by it in relation to such series of Secured Securities on the previous Purchase Date for a consideration equal to the purchase price for that Repo Transaction as specified in the applicable Final Terms together with a price differential (the "**Price Differential**") determined in accordance with the terms of the Repurchase Agreement (together, in each case, the "**Repurchase Price**"). Subsequent Transactions need not relate to the same portfolio of Reference Collateral Assets, but will have the same purchase price (in each case, the "**Purchase Price**"), subject to adjustment if the Securities are purchased by the Issuer or further Tranches of Securities are issued by the Issuer.

#### **Purchase of Securities**

Where further Tranches of Secured Securities are issued and the Issuer purchases additional Repo Collateral Securities from the Repo Counterparty under the Repurchase Agreement (which for the avoidance of doubt will be repurchased by

the Repo Counterparty on the same Repo Date as the Repo Collateral Securities purchased by the Issuer on the immediately preceding Repo Date) or where the Issuer purchases Secured Securities and sells Repo Collateral Securities to the Repo Counterparty in order to fund such purchase, a fee in addition to the relevant Purchase Price or Repurchase Price (as applicable) may be payable by the Issuer to the Repo Counterparty or by the Repo Counterparty to the Issuer depending on prevailing market conditions. Where the Issuer purchases Securities, a Repurchase Date shall occur with respect to the proportion of the Repurchase Agreement equal to the Nominal Amount of Notes being purchased (the "**Purchased Proportion**") and accrued Price Differential will be reflected in the Repurchase Price paid by the Repo Counterparty to the Issuer in respect of the Purchased Proportion.

Capitalised terms used in this "Description of the Repurchase Agreement" and not defined herein shall have the meanings given to them in the Final Terms for the relevant series of Secured Securities or the applicable Charged Asset Structure.

### **Early termination and cancellation**

Any Repurchase Agreement for a series of Secured Securities may be subject to early termination in certain circumstances, including without limitation:

- (a) payment defaults and/or failure to deliver securities by the Issuer or the Repo Counterparty under such Repurchase Agreement;
- (b) payment defaults by the Issuer or the Swap Counterparty under the Swap Agreement (where applicable);
- (c) bankruptcy events relating to the Issuer or the relevant Repo Counterparty;
- (d) repurchase of all relevant Secured Securities by the Issuer;
- (e) the early redemption or an event of default of the series of Securities in respect of which the Repurchase Agreement has been entered into; and
- (f) tax events relating to the Issuer or the relevant Repo Counterparty.

Upon early termination of the Repurchase Agreement, a termination payment may be due between the parties in accordance with the terms of the relevant Repurchase Agreement.

### **Further Securities**

If the Issuer issues further Secured Securities of a series pursuant to Condition 16 of the Notes the Issuer may purchase from the Repo Counterparty Reference Collateral Assets for a consideration of, and with a market value equal to, the aggregate issue proceeds of such further Securities (or such proportion as is specified where an amount less than the full proceeds of the issue of such further Securities is used to purchase Reference Collateral Assets) each as set out in the applicable Final Terms. Following such issue, the Repurchase Price for the then current Repo Transaction shall be increased by such nominal amount (or such proportion of such nominal amount) and the Purchase Price for all subsequent Transactions shall then be increased by an amount equal to such nominal amount (or such proportion of such nominal amount) .

### **Substitution of Reference Collateral Assets**

For each series of Secured Securities, the Repurchase Agreement will permit the Repo Counterparty to deliver to the Issuer new Repo Collateral Securities in substitution or exchange for existing Repo Collateral Securities relating to a series of Secured Securities, subject to the relevant Repurchase Agreement, provided that such substitution or exchange does not result in the Issuer becoming subject to a Net Exposure under the current Transaction for that series of Secured Securities. The Security Trustee is not responsible for monitoring or verifying the eligibility or the market value of the Repo Collateral Securities at any time.

## DESCRIPTION OF THE CHARGED ASSETS

### PART IV - DESCRIPTION OF THE COLLATERAL EXCHANGE AGREEMENT

*The following description of the Collateral Exchange Agreement should be read in conjunction with the Final Terms for the relevant series of Secured Securities and the applicable Charged Asset Structure and Credit Support Structure(s), together this description and the applicable Charged Asset Structure, Credit Support Structure(s) and such Final Terms consists of a summary of certain provisions of the Collateral Exchange Agreement which is qualified by reference to the detailed provisions of the Collateral Exchange Agreement for each specific series of Secured Securities. The following summary, in conjunction with the summary in the applicable Final Terms, does not purport to be complete, and prospective investors must refer to the relevant Collateral Exchange Agreement for detailed information regarding the Collateral Exchange Agreement.*

#### **Collateral Exchange Agreement**

If so specified in the Final Terms, BNP Paribas (the "**Collateral Exchange Counterparty**") and the Issuer will enter into one or more collateral exchange agreements, in each case substantially in the form of (i) a 2000 ISLA Global Master Securities Lending Agreement and schedule (as amended) or (ii) a 2010 ISLA Global Master Securities Lending Agreement and schedule (as amended) or (iii) another form of agreement relating to the exchange of securities (for each series, a "**Collateral Exchange Agreement**"). The Issuer will grant security over its rights under the Collateral Exchange Agreement and over the Replacement Collateral Assets it receives thereunder in favour of the Security Trustee for itself and as security trustee for the relevant Secured Parties (for the relevant series of Secured Securities).

Pursuant to the Collateral Exchange Agreement the Collateral Exchange Counterparty may, at its option, enter into transactions (each an "**Exchange Transaction**") with the Issuer in respect of the relevant Reference Collateral Assets. Under such Exchange Transactions, the Issuer will transfer to the Collateral Exchange Counterparty all or part of the Reference Collateral Assets (the "**Received Collateral**") and the Collateral Exchange Counterparty will transfer Replacement Collateral Assets to the Issuer. Subject to the circumstances in which the Collateral Exchange Agreement will terminate early (as described below), the Exchange Transactions shall terminate on the maturity date of the Reference Collateral Assets (or on any earlier date as specified by the Collateral Exchange Counterparty) and the Collateral Exchange Counterparty will transfer securities equivalent to the Received Collateral which it received to the Issuer on such date and the Issuer will transfer securities equivalent to the Replacement Collateral Assets which it received.

The Collateral Exchange Counterparty may be required under the Collateral Exchange Agreement to pay the Issuer a fee in connection with entering into the Collateral Exchange Agreement and may be required to transfer collateral to the Issuer against transfer of the relevant Reference Collateral Assets or part thereof by the Issuer under the Collateral Exchange Agreement and as set out in Credit Support Structure 5 if that Credit Support Structure is specified to be applicable.

Under the Collateral Exchange Agreement, the Collateral Exchange Counterparty will pay to the Issuer amounts equal to the amounts that would have been received by the Issuer under the Received Collateral if it had not transferred such Received Collateral to the Collateral Exchange Counterparty and the Issuer will pay to the Collateral Exchange Counterparty amounts equal to the amounts that would have been received by the Collateral Exchange Counterparty under the relevant Replacement Collateral Assets if it had not transferred such Replacement Collateral Assets to the Collateral Exchange Counterparty.

#### **Termination**

The Collateral Exchange Agreement includes events of default such as bankruptcy of the Issuer or the Collateral Exchange Counterparty and failure to make payments or deliveries thereunder. The Collateral Exchange Agreement

will terminate automatically upon the occurrence of any such event of default. Additionally, the Collateral Exchange Agreement will terminate automatically upon the termination of the Swap Agreement relating to the relevant series of Secured Securities in accordance with the terms thereof. The Collateral Exchange Counterparty may terminate the Collateral Exchange Agreement upon giving notice to the Issuer in accordance with the provisions of the Collateral Exchange Agreement. The Issuer will not be entitled to terminate the Collateral Exchange Agreement before the maturity date of the Reference Collateral Assets, except following the occurrence of an event of default (as set out in the Collateral Exchange Agreement) with respect to the Collateral Exchange Counterparty. The Collateral Exchange Agreement may also terminate automatically in other circumstances pursuant to the terms of the Collateral Exchange Agreement.

Upon the early termination of the Collateral Exchange Agreement at the option of the Collateral Exchange Counterparty, the Collateral Exchange Counterparty will transfer the equivalent securities in respect of the Received Collateral to the Issuer in accordance with the provisions of the Collateral Exchange Agreement and the Issuer will transfer equivalent securities in respect of the Replacement Collateral Assets to the Collateral Exchange Counterparty.

Upon the early termination of the Collateral Exchange Agreement upon the occurrence of an event of default thereunder in respect of the Issuer or the Collateral Exchange Counterparty or the early termination of the Swap Agreement due to an event of default thereunder in respect of the Issuer or the Swap Counterparty or the occurrence of an Event of Default in respect of the Secured Securities, there will be no further exchange of securities and instead a termination payment will be calculated in accordance with the terms of the Collateral Exchange Agreement which will be calculated by reference to the market value of the Received Collateral and the Replacement Collateral Assets including any further Replacement Collateral Assets which have been transferred to the Issuer as credit support by the Collateral Exchange Counterparty.

Upon the early termination of the Collateral Exchange Agreement due to the occurrence of an Early Redemption Event, the Issuer will sell its rights under the Collateral Exchange Agreement to receive equivalent securities in respect of the Received Collateral from the Collateral Exchange Counterparty and upon effecting such sale, the Issuer will transfer equivalent securities in respect of the Replacement Collateral Assets to the Collateral Exchange Counterparty.

## CHARGED ASSET STRUCTURES

### PART V – DESCRIPTION OF CHARGED ASSET STRUCTURES

One of the following descriptions of the Charged Asset Structures will apply to the Secured Securities where Part D of Annex 13(Additional Terms and Conditions for Secured Securities) is specified in the applicable Final Terms, which will also set out certain other information ("**Variable Information**") applicable to the relevant Charged Asset Structure as specified below.

The applicable Final Terms will replicate the applicable paragraphs from the applicable Charged Asset Structure provided that information which is not relevant to a particular series of Secured Securities will not be replicated and references to "Automatic Early Redemption Amount", "Automatic Early Redemption" and "or where Automatic Early Redemption is applicable", "Automatic Early Redemption Event (where applicable)" and associated references may be deleted where Automatic Early Redemption does not apply.

#### 1. Charged Asset Structure 1 - Zero Coupon Bond And Swap Agreement

##### 1. General

- 1.1 On or before the Issue Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. On the Initial Reference Collateral Assets Purchase Date(s), the Issuer will purchase the Reference Collateral Assets.
- 1.2 For further details relating to the Swap Agreement, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement*".
- 1.3 *The applicable Variable Information for this paragraph 1 is:*
  - (a) Initial Reference Collateral Assets Purchase Date: [specify date(s)]
  - (b) Reference Collateral Assets: [see paragraph [78] of the Final Terms]

##### 2. Payments under the Swap Agreement

- 2.1 On the Issue Date, the Issuer will pay an amount to the Swap Counterparty which is equal to the net issue proceeds of the relevant series of Secured Securities and, on or before the Initial Reference Collateral Assets Purchase Date, the Swap Counterparty will pay one or more amounts to the Issuer in the relevant Reference Collateral Currency or Reference Collateral Currencies (where applicable) which is equal to the Reference Collateral Purchase Price of each of the Reference Collateral Issues comprised in the Reference Collateral Assets.
- 2.2 *Where an Interim Payment Amount is payable in respect of the Secured Securities:*

Where an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which such payment is due to be made by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 2.3 On the Scheduled Final Bond Payment Date(s), the relevant RCA Issuer will pay to the Issuer the relevant Scheduled Final Bond Payment and the Issuer will be obliged to pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.

- 2.4 On or prior to the Final Payment Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Payment Amounts that the Issuer is scheduled to pay in respect of the Secured Securities then outstanding, provided that no Early Redemption Event or Event of Default has occurred.
- 2.5 The notional amount of the Swap Agreement and the aggregate nominal amount of the Reference Collateral Assets will be reduced to take account of any purchase and cancellation of Secured Securities by the Issuer so that the notional amount of the Swap Agreement will be equal to the Aggregate Issue Amount of the Secured Securities left outstanding immediately following any such repurchase and the aggregate nominal amount of the Reference Collateral Assets held by the Issuer will at any time equal in aggregate the Reference Collateral Currency Equivalent of the Collateralisation Nominal Amount.
- 2.6 On each Additional Issuer Swap Payment Date, the Issuer will pay the relevant Additional Issuer Swap Payment Amount to the Swap Counterparty.
- 2.7 On each Additional Counterparty Swap Payment Date, the Swap Counterparty will pay the relevant Additional Counterparty Swap Payment Amount to the Issuer.
- 2.8 Payments under the Swap Agreement will only be made on Swap Business Days.
- 2.9 If so specified in the applicable Final Terms, a Credit Support Structure may apply to the Secured Securities.
- 2.10 *The applicable Variable Information for this paragraph 2 is:*
- (a) Interim Payment Amount: [Interest Amount] [specify] [NB: more than one such amount may be payable]/[delete if not applicable]
  - (b) Additional Issuer Swap Payment Date: [specify/delete if there is no Additional Issuer Swap Payment Amount]
  - (c) Additional Issuer Swap Payment Amount: [specify/delete]
  - (d) Additional Counterparty Swap Payment Date: [specify/delete if there is no Additional Counterparty Swap Payment Amount]
  - (e) Additional Counterparty Swap Payment Amount: [specify/delete]
  - (f) Swap Business Days: [specify]

### **3. Payments under the Reference Collateral Assets**

- 3.1 On the Initial Reference Collateral Assets Purchase Date, the Issuer will use the amount(s) received from the Swap Counterparty under the Swap Agreement on or before such date to purchase the Reference Collateral Assets.
- 3.2 On the relevant Scheduled Final Bond Payment Date(s), the relevant RCA Issuer will pay to the Issuer the relevant Scheduled Final Bond Payment and the Issuer will be obliged to pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 3.3 *The applicable Variable Information for this paragraph 3 is:*
- (a) Scheduled Final Bond Payment Date(s): [specify date(s)]

#### **4. Arrangements upon which payments to investors are dependent**

The Issuer is dependent on receiving payments (if any) when due from the Swap Counterparty pursuant to the Swap Agreement in the manner described in paragraph 2 above in order to pay:

- (a) any Interim Payment Amount in respect of each outstanding Security; and/or
- (b) the Final Payment Amount on the Final Payment Date in respect of each outstanding Security.

#### **2. Charged Asset Structure 2 - Interest Bearing Reference Collateral Assets and Swap Agreement**

##### **1. General**

1.1 On or before the Issue Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. On the Initial Reference Collateral Assets Purchase Date(s), the Issuer will purchase the Reference Collateral Assets.

1.2 For further details relating to the Swap Agreement, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement*".

1.3 *The applicable Variable Information for this paragraph 1 is:*

- (a) Initial Reference Collateral Assets Purchase Date(s): [specify date(s)]
- (b) Reference Collateral Assets: [see paragraph [78] of the Final Terms]

##### **2. Payments under the Swap Agreement**

2.1 On the Issue Date, the Issuer will pay an amount to the Swap Counterparty which is equal to the net issue proceeds of the relevant series of Secured Securities and, on or before the Initial Reference Collateral Assets Purchase Date, the Swap Counterparty will pay one or more amounts to the Issuer in the relevant Reference Collateral Currency or Reference Collateral Currencies (where applicable) which is equal to the Reference Collateral Purchase Price of each of the Reference Collateral Issues comprised in the Reference Collateral Assets.

2.2 *Where Recovery Access is specified as applicable (do not replicate paragraph 2.3 where this paragraph 2.2 is applicable):*

On each Reference Collateral Interest Payment Date the Issuer will be obliged to pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the scheduled Reference Collateral Coupon Amount (if any) due to be paid on such Reference Collateral Interest Payment Date (if any) provided that no Early Redemption Event or Event of Default has occurred.

2.3 *Where Recovery Access is specified as not applicable (do not replicate paragraph 2.2 where this paragraph 2.3 is applicable):*

On each Reference Collateral Interest Payment Date, the Issuer will pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the Reference Collateral Coupon Amount received by the Issuer on the Reference Collateral Interest Payment Date provided that no Early Redemption Event or Event of Default has occurred.

2.4 If an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which such payment is due to be made by the Issuer provided that no Early Redemption Event or Event of Default has occurred.

- 2.5 On the Scheduled Final Bond Payment Date(s), the RCA Issuer will pay to the Issuer the Scheduled Final Bond Payment and the Issuer will pay to the Swap Counterparty an amount (if any) in the relevant Reference Collateral Currency equal to the Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 2.6 On or prior to the Final Payment Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Payment Amounts that the Issuer is scheduled to pay in respect of the Secured Securities then outstanding, provided that no Early Redemption Event or Event of Default has occurred.
- 2.7 The notional amount of the Swap Agreement and the aggregate nominal amount of the Reference Collateral Assets will be reduced to take account of any purchase and cancellation of Secured Securities by the Issuer so that the notional amount of the Swap Agreement will be equal to the Aggregate Issue Amount of the Secured Securities left outstanding immediately following any such repurchase and the aggregate nominal amount of the Reference Collateral Assets held by the Issuer will at any time equal in aggregate the Reference Collateral Currency Equivalent of the Collateralisation Nominal Amount.
- 2.8 On each Additional Issuer Swap Payment Date, the Issuer will pay the relevant Additional Issuer Swap Payment Amount to the Swap Counterparty.
- 2.9 On each Additional Counterparty Swap Payment Date, the Swap Counterparty will pay the relevant Additional Counterparty Swap Payment Amount to the Issuer.
- 2.10 Payments under the Swap Agreement will only be made on Swap Business Days.
- 2.11 If so specified in the applicable Final Terms, a Credit Support Structure may apply to the Secured Securities.
- 2.12 *The applicable Variable Information for this paragraph 2 is:*
- (a) Reference Collateral Interest Payment Date(s): [specify][delete if such dates are each date on which a RCA Issuer is due to pay interest (or equivalent amounts) in respect of the relevant Reference Collateral Assets]
  - (b) Interim Payment Amount: [Interest Amount] /[specify] [NB: more than one such amount may be payable]/[delete if not applicable]
  - (c) Recovery Access: [Applicable/Not applicable]
  - (d) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable]
  - (e) Additional Issuer Swap Payment Date: [specify/delete if there is no Additional Issuer Swap Payment Amount]
  - (f) Additional Issuer Swap Payment Amount: [specify/delete]
  - (g) Additional Counterparty Swap Payment Date: [specify/delete if there is no Additional Counterparty Swap Payment Amount]
  - (h) Additional Counterparty Swap Payment Amount: [specify/delete]
  - (i) Swap Business Days: [specify]

### **3. Payments under the Reference Collateral Assets**

- 3.1 On the Initial Reference Collateral Assets Purchase Date, the Issuer will use the amount received from the Swap Counterparty under the Swap Agreement to purchase the Reference Collateral Assets.
- 3.2 On each Reference Collateral Interest Payment Date, the relevant RCA Issuer will pay an amount of interest to the Issuer in respect of the nominal amount of the relevant Reference Collateral Assets held by the Issuer at such time.
- 3.3 On the relevant Scheduled Final Bond Payment Date(s), the relevant RCA Issuer will pay to the Issuer the relevant Scheduled Final Bond Payment and the Issuer will be obliged to pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 3.4 The applicable Variable Information for this paragraph 3 is:
- (a) Scheduled Final Bond Payment Date(s): [specify]/[delete if not applicable or if already specified under paragraph 2 above]

### **4. Arrangements upon which payments to investors are dependent**

The Issuer is dependent on receiving payments (if any) when due from the Swap Counterparty pursuant to the Swap Agreement in the manner described in paragraph 2 above in order to pay (where applicable):

- (a) any Interim Payment Amount in respect of each outstanding Security; and/or
- (b) the Final Payment Amount on the Final Payment Date in respect of each outstanding Security.

### **3. Charged Asset Structure 3 - Repurchase Agreement and Swap Agreement**

#### **1. General**

- 1.1 On or before the Issue Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty and the Repurchase Agreement with the Repo Counterparty.
- 1.2 For further details relating to the Swap Agreement, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement*" and for further details relating to the Repurchase Agreement, please see "*Description of the Charged Assets – Part III – Description of the Repurchase Agreement*".

#### **2. Payments under the Repurchase Agreement**

- 2.1 On the Initial Repo Purchase Date, the Issuer will use the amount received from the Swap Counterparty under the Swap Agreement to purchase Repo Collateral Securities with a value equal to the Aggregate Issue Amount (or the Reference Collateral Currency Equivalent thereof) pursuant to the Repurchase Agreement.
- 2.2 On each Repurchase Date under the Repurchase Agreement, the Repo Counterparty will pay, as part of the Repurchase Price, an amount of price differential to the Issuer in respect of the Repo Transaction which has just terminated (each such amount, a "**Repo Price Differential Amount**").
- 2.3 On the Final Repo Date, the Repo Counterparty will pay to the Issuer the Final Repurchase Price Payment and the Issuer will pay an amount (if any) to the Swap Counterparty in the currency in which the Repurchase Agreement is denominated equal to the Final Repurchase Price Payment received by the Issuer on the Final Repo Date provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.

- 2.4 If, on any Automatic Early Redemption Valuation Date, an Automatic Early Redemption Event occurs provided that no Early Redemption Event or Event of Default has occurred:
- (a) a Repurchase Date will occur on or before the relevant Automatic Early Redemption Date the Repo Counterparty will on the Repurchase Date pay an amount to the Issuer which will be equal to the relevant Repurchase Price, provided that no Early Redemption Event or Event of Default has occurred; and
  - (b) the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the amount received by the Issuer under the Repurchase Agreement from the Repo Counterparty on or around the Automatic Early Redemption Date.
- 2.5 Where the Issuer purchases Secured Securities and sells Equivalent Securities in respect of some or all of the Repo Collateral Securities to the Repo Counterparty in order to fund such purchase, a fee in addition to the relevant Purchase Price or Repurchase Price (as applicable) may be payable by the Issuer to the Repo Counterparty or by the Repo Counterparty to the Issuer depending on prevailing market conditions.
- 2.6 Where the Issuer purchases Secured Securities, a Repurchase Date shall occur with respect to the proportion of the Repurchase Agreement equal to the aggregate Nominal Amount of Secured Securities being purchased (the "**Purchased Proportion**") and accrued Price Differential will be reflected in the Repurchase Price paid by the Repo Counterparty to the Issuer in respect of the Purchased Proportion immediately following any such repurchase.
- 2.7 *The applicable Variable Information for this paragraph 2 is:*
- (a) Initial Repo Purchase Date: [specify]
  - (b) Repo Collateral Securities: [specify details/relevant criteria, as applicable]
  - (c) Interim Payment Amount(s): [Interest Amount] [specify] [NB: more than one such amount may be payable]/[delete if not applicable]
  - (d) Final Repo Date: [specify]

### **3. Payments under the Swap Agreement**

- 3.1 On the Issue Date, the Issuer will pay an amount to the Swap Counterparty which is equal to the net issue proceeds of the relevant series of Secured Securities and on or before the Initial Repo Purchase Date the Swap Counterparty will pay an amount to the Issuer which is equal to the initial purchase price payable by the Issuer under the Repurchase Agreement.
- 3.2 On each Repurchase Date the Issuer will pay an amount to the Swap Counterparty equal to the Repo Price Differential (if any) due to be received by the Issuer on such date provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.
- 3.3 If an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which such payment is due to be made by the Issuer provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.
- 3.4 On the Final Repo Date, the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the Final Repurchase Price Payment received by the Issuer on the Final Repo Date.

- 3.5 On or prior to the Final Payment Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Payment Amounts that the Issuer is scheduled to pay in respect of the Secured Securities then outstanding, provided that no Automatic Early Redemption Event (where applicable), Early Redemption Event or Event of Default has occurred.
- 3.6 If, on any Automatic Early Redemption Valuation Date, an Automatic Early Redemption Event occurs provided that no Early Redemption Event or Event of Default has occurred:
- (a) the Swap Counterparty will on or prior to the relevant Automatic Early Redemption Date pay an amount to the Issuer which will be equal to the relevant Aggregate Automatic Early Redemption Amount, provided that no Early Redemption Event or Event of Default has occurred; and
  - (b) the Issuer will pay to the Swap Counterparty an amount (if any) in the currency in which the Repurchase Agreement is denominated equal to the amount received by the Issuer under the Repurchase Agreement from the Repo Counterparty on or around the Automatic Early Redemption Date.
- 3.7 The notional amount of the Swap Agreement will be reduced to take account of any purchase and cancellation of Secured Securities by the Issuer so that the notional amount of the Swap Agreement at any time will be equal to the Aggregate Issue Amount of the Secured Securities left outstanding
- 3.8 On each Additional Issuer Swap Payment Date, the Issuer will pay the relevant Additional Issuer Swap Payment Amount to the Swap Counterparty.
- 3.9 On each Additional Counterparty Swap Payment Date, the Swap Counterparty will pay the relevant Additional Counterparty Swap Payment Amount to the Issuer.
- 3.10 Payments under the Swap Agreement will only be made on Swap Business Days.
- 3.11 If so specified in the applicable Final Terms, one or more Credit Support Structures may apply to the Swap Agreement.
- 3.12 *The applicable Variable Information for this paragraph 3 is:*
- (a) Interim Payment Amount(s): [Interest Amount] [specify] [*NB: more than one such amount may be payable*]/[*delete if not applicable or if Swap Flow Repo Price Differential is not applicable*]
  - (b) Additional Issuer Swap Payment Date: [specify/delete if there is no Additional Issuer Swap Payment Amount]
  - (c) Additional Issuer Swap Payment Amount: [specify/delete]
  - (d) Additional Counterparty Swap Payment Date: [specify/delete if there is no Additional Counterparty Swap Payment Amount]
  - (e) Additional Counterparty Swap Payment Amount: [specify/delete]
  - (f) Swap Business Days: [specify]

#### **4. Arrangements upon which payments to investors are dependent**

The Issuer is dependent on receiving payments (if any) when due from the Swap Counterparty pursuant to the Swap Agreement in the manner described in paragraph 3 above in order to pay (where applicable):

- (a) the Automatic Early Redemption Amount in respect of each outstanding Security;

- (b) any Interim Payment Amount in respect of each outstanding Security; and/or
- (c) the Final Payment Amount on the Final Payment Date in respect of each outstanding Security.

#### **4. Charged Asset Structure 4 - Interest Bearing Reference Collateral Assets and CDS Structure**

##### **1. General**

- 1.1 On or before the Issue Date, the Issuer will enter into the Interest Rate Swap and Credit Default Swap with the Swap Counterparty. On the Initial Reference Collateral Purchase Date(s), the Issuer will purchase the Reference Collateral Assets.
- 1.2 For further details relating to the Swap Agreements, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement*".
- 1.3 *The applicable Variable Information for this paragraph 1 is:*
  - (a) Initial Reference Collateral Purchase Date: [specify date(s)]
  - (b) Reference Collateral Assets: [see paragraph [78] of the Final Terms]

##### **2. Payments under the Swap Agreements**

- 2.1 On the Issue Date, the Issuer will pay an amount to the Swap Counterparty which is equal to the net issue proceeds of the relevant series of Secured Securities and, on the Initial Reference Collateral Assets Purchase Date, the Swap Counterparty will pay one or more amounts to the Issuer in the relevant Reference Collateral Currency or Reference Collateral Currencies (where applicable) which is equal to the Reference Collateral Purchase Price of each of the Reference Collateral Issues comprised in the Reference Collateral Assets.
- 2.2 *Where Recovery Access is specified as applicable (do not replicate paragraph 2.3 where this paragraph 2.2 is applicable):*

Under the Interest Rate Swap:

- (a) on each Reference Collateral Interest Payment Date the Issuer will be obliged to pay an amount (if any) to the Swap Counterparty in the Reference Collateral Currency equal to the scheduled Reference Collateral Coupon Amount due to be paid on the Reference Collateral Interest Payment Date provided that no Early Redemption Event or Event of Default has occurred; and
- (b) if an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which such payment is due to be made by the Issuer provided that no Early Redemption Event or Event of Default has occurred.

- 2.3 *Where Recovery Access is specified as not applicable (do not replicate paragraph 2.2 where this paragraph 2.3 is applicable):*

Under the Interest Rate Swap:

- (a) on each Reference Collateral Interest Payment Date, the Issuer will pay to the Swap Counterparty an amount in the relevant Reference Collateral Currency equal to the Reference Collateral Coupon Amount received by the Issuer on the Reference Collateral Interest Payment Date provided that no Early Redemption Event or Event of Default has occurred; and

- (b) if an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which such payment is due to be made by the Issuer provided that no Early Redemption Date or Event of Default has occurred.

2.4 Under the Interest Rate Swap:

- (a) on the Scheduled Final Bond Date(s), the RCA Issuer will pay to the Issuer the Scheduled Final Bond Payment and the Issuer will pay to the Swap Counterparty an amount (if any) in the relevant Reference Collateral Currency equal to the Scheduled Final Bond Payment due to be received by the Issuer, provided that no Early Redemption Event or Event of Default has occurred; and
- (b) on or prior to the Final Payment Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Payment Amounts that the Issuer is scheduled to pay in respect of the Secured Securities then outstanding, provided that no Early Redemption Date or Event of Default has occurred.

2.5 Under the Credit Default Swap, where a CDS Credit Event occurs, the Issuer will make a payment to the Swap Counterparty and all or some of the Reference Collateral Assets will be sold in order to finance such payment and the Secured Securities will be redeemed in accordance with Collateral Security Condition 5.

2.6 The notional amount of the Swap Agreements and the aggregate nominal amount of the Reference Collateral Assets will be reduced to take account of any purchase and cancellation of Secured Securities by the Issuer so that the notional amount of each Swap Agreement will be equal to the Aggregate Issue Amount of the Secured Securities left outstanding immediately following any such repurchase and the aggregate nominal amount of the Reference Collateral Assets held by the Issuer will at any time equal in aggregate the Reference Collateral Currency Equivalent of the Collateralisation Nominal Amount.

2.7 On each Additional Issuer Swap Payment Date, the Issuer will pay the relevant Additional Issuer Swap Payment Amount to the Swap Counterparty.

2.8 On each Additional Counterparty Swap Payment Date, the Swap Counterparty will pay the relevant Additional Counterparty Swap Payment Amount to the Issuer.

2.9 Payments under the Swap Agreement will only be made on Swap Business Days.

2.10 If so specified in the applicable Final Terms, a Credit Support Structure may apply to the Secured Securities.

2.11 *The applicable Variable Information for this paragraph 2 is:*

- (a) Reference Collateral Interest Payment Date(s): [specify][delete if such dates are each date on which a RCA Issuer is due to pay interest (or equivalent amounts) in respect of the relevant Reference Collateral Assets]
- (b) Interim Payment Amount(s): [Interest Amount] /[specify] [NB: more than one such amount may be payable]/[delete if not applicable]
- (c) Recovery Access: [Applicable][Not applicable]
- (d) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable]
- (e) Additional Issuer Swap Payment Date: [specify/delete if there is no Additional Issuer Swap Payment Amount]

- (f) Additional Issuer Swap Payment Amount: [specify/delete]
- (g) Additional Counterparty Swap Payment Date: [specify/delete if there is no Additional Counterparty Swap Payment Amount]
- (h) Additional Counterparty Swap Payment Amount: [specify/delete]
- (i) Swap Business Days: [specify]

### **3. Payments under the Reference Collateral Assets**

- 3.1 On the Initial Reference Collateral Assets Purchase Date, the Issuer will use the amount received from the Swap Counterparty under the Swap Agreement to purchase the Reference Collateral Assets.
- 3.2 On each Reference Collateral Interest Payment Date, the relevant RCA Issuer will pay an amount of interest to the Issuer in respect of the nominal amount of the relevant Reference Collateral Assets held by the Issuer at such time.
- 3.3 On the Scheduled Final Bond Payment Date(s), the relevant RCA Issuer will pay to the Issuer the relevant Scheduled Final Bond Payment and the Issuer will be obliged to pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 3.4 The applicable Variable Information for this paragraph 3 is:
  - (a) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable or if already specified under paragraph 2 above]

### **4. Arrangements upon which payments to investors are dependent**

The Issuer is dependent on receiving payments (if any) when due from the Swap Counterparty pursuant to the Swap Agreement in the manner described in paragraphs 2 and 3 above in order to pay (where applicable):

- (a) any Interim Payment Amount in respect of each outstanding Security; and/or
- (b) the Final Payment Amount on the Final Payment Date in respect of each outstanding Security.

### **5. Charged Asset Structure 5 - Interest Bearing Reference Collateral Assets, Swap Agreement and Collateral Exchange Agreement**

#### **1. General**

- 1.1 On or before the Issue Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty and the Collateral Exchange Agreement with the Collateral Exchange Counterparty. On the Initial Reference Collateral Purchase Date(s), the Issuer will purchase the Reference Collateral Assets.
- 1.2 For further details relating to the Swap Agreement, please see "Description of the Charged Assets – Part II – Description of the Swap Agreement" and Description of the Charged Assets – Part IV – Description of the Collateral Exchange Agreement".
- 1.3 *The applicable Variable Information for this paragraph 1 is:*
  - (a) Initial Reference Collateral Purchase Date: [specify date(s)]
  - (b) Reference Collateral Assets: [see paragraph [78] of the Final Terms]

## **2. Payments under the Swap Agreement**

2.1 On the Issue Date, the Issuer will pay an amount to the Swap Counterparty which is equal to the net issue proceeds of the relevant series of Secured Securities and, on the Initial Reference Collateral Assets Purchase Date, the Swap Counterparty will pay one or more amounts to the Issuer in the relevant Reference Collateral Currency or Reference Collateral Currencies (where applicable) which is equal to the Reference Collateral Purchase Price of each of the Reference Collateral Issues comprised in the Reference Collateral Assets.

2.2 *Where Recovery Access is specified as applicable (do not replicate paragraph 2.3 where this paragraph 2.2 is applicable):*

On each Reference Collateral Interest Payment Date the Issuer will be obliged to pay an amount to the Swap Counterparty in the relevant Reference Collateral Currency equal to the scheduled Reference Collateral Coupon Amount (if any) due to be paid on the relevant Reference Collateral Interest Payment Date provided that no Early Redemption Event or Event of Default has occurred.

2.3 *Where Recovery Access is specified as not applicable (do not replicate paragraph 2.2 where this paragraph 2.3 is applicable):*

On each Reference Collateral Interest Payment Date, the Issuer will pay an amount to the Swap Counterparty in the relevant Reference Collateral Currency equal to the Reference Collateral Coupon Amount (if any) received by the Issuer on the relevant Reference Collateral Interest Payment Date from the relevant Reference Collateral Assets and/or, where a Collateral Exchange has taken place in respect of all or part of the relevant Reference Collateral Assets, the Collateral Exchange Counterparty provided that no Early Redemption Event or Event of Default has occurred.

2.4 If an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which such payment is due to be made by the Issuer provided that no Early Redemption Event or Event of Default has occurred.

2.5 On the Scheduled Final Bond Payment Date(s), the Issuer will pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment (if any) due to be received by the Issuer on the relevant Scheduled Final Bond Payment Date provided that no Early Redemption Event or Event of Default has occurred.

2.6 On or prior to the Final Payment Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Payment Amounts that the Issuer is scheduled to pay in respect of the Secured Securities then outstanding, provided that no Early Redemption Event or Event of Default has occurred.

2.7 The notional amount of the Swap Agreement and the aggregate nominal amount of the Reference Collateral Assets will be reduced to take account of any purchase and cancellation of Secured Securities by the Issuer so that the notional amount of the Swap Agreement will be equal to the Aggregate Issue Amount of the Secured Securities left outstanding immediately following any such repurchase and the aggregate nominal amount of the Reference Collateral Assets held by the Issuer will at any time equal in aggregate the Reference Collateral Currency Equivalent of the Collateralisation Nominal Amount.

2.8 On each Additional Issuer Swap Payment Date, the Issuer will pay the relevant Additional Issuer Swap Payment Amount to the Swap Counterparty.

2.9 On each Additional Counterparty Swap Payment Date, the Swap Counterparty will pay the relevant Additional Counterparty Swap Payment Amount to the Issuer.

- 2.10 Payments under the Swap Agreement will only be made on Swap Business Days.
- 2.11 If so specified in the applicable Final Terms, a Credit Support Structure may apply to the Secured Securities.
- 2.12 *The applicable Variable Information for this paragraph 2 is:*
- (a) Reference Collateral Interest Payment Date(s): [specify][delete if such dates are each date on which a RCA Issuer is due to pay interest (or equivalent amounts) in respect of the relevant Reference Collateral Assets]
  - (b) Interim Payment Amount(s): [Interest Amount] [specify] [NB: more than one such amount may be payable]/[delete if not applicable]
  - (c) Recovery Access: [Applicable][Not applicable]
  - (d) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable]
  - (e) Additional Issuer Swap Payment Date: [specify/delete if there is no Additional Issuer Swap Payment Amount]
  - (f) Additional Issuer Swap Payment Amount: [specify/delete]
  - (g) Additional Counterparty Swap Payment Date: [specify/delete if there is no Additional Counterparty Swap Payment Amount]
  - (h) Additional Counterparty Swap Payment Amount: [specify/delete]
  - (i) Swap Business Days: [specify]

### **3. Payments under the Reference Collateral Assets**

- 3.1 On the Initial Reference Collateral Assets Purchase Date, the Issuer will use the amount received from the Swap Counterparty under the Swap Agreement on such date to purchase the Reference Collateral Assets.
- 3.2 On each Reference Collateral Interest Payment Date, subject to a Collateral Exchange not having taken place, the relevant RCA Issuer will pay an amount of interest to the Issuer in respect of the nominal amount of the relevant Reference Collateral Assets held by the Issuer at such time.
- 3.3 On the Scheduled Final Bond Payment Date(s), the relevant RCA Issuer will pay to the Issuer the relevant Scheduled Final Bond Payment and the Issuer will pay to the Swap Counterparty an amount in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 3.4 The applicable Variable Information for this paragraph 3 is:
- (a) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable or if already specified under paragraph 2 above]

### **4. Collateral Exchange Agreement**

- 4.1 Under the Collateral Exchange Agreement, the Collateral Exchange Counterparty may make a request to the Issuer for a Collateral Exchange in which case the Issuer will transfer the relevant Reference Collateral Assets to the Collateral Exchange Counterparty and the Collateral Exchange Counterparty will transfer Replacement Collateral Assets as collateral.

- 4.2 On or prior to the Scheduled Final Payment Date, where a Collateral Exchange has taken place, the Collateral Exchange Counterparty will transfer Equivalent Securities in respect of the Reference Collateral Assets to the Issuer and the Issuer will transfer Equivalent Securities in respect of the Replacement Collateral Assets to the Collateral Exchange Counterparty.
- 4.3 Where a Collateral Exchange has taken place, the Collateral Exchange Counterparty will pay amounts equal to any amounts of interest it receives in respect of the Reference Collateral Assets which have been the subject of such Collateral Exchange (net of any withholding or deduction on account of any applicable taxes) to the Issuer and the Issuer will pay amounts equal to any amounts of interest it receives in respect of the relevant Replacement Collateral Assets (net of any withholding or deduction on account of any applicable taxes) to the Collateral Exchange Counterparty.

**5. Arrangements upon which payments to investors are dependent**

The Issuer is dependent on receiving payments (if any) when due from the Swap Counterparty pursuant to the Swap Agreement in the manner described in paragraph 2 above in order to pay (where applicable):

- (a) any Interim Payment Amount in respect of each outstanding Security; and/or
- (b) the Final Payment Amount on the Final Payment Date in respect of each outstanding Security.

**6. Charged Asset Structure 6 - Interest Bearing Reference Collateral Assets and Swap Agreement - SB/JGB Repackaging**

**1. General**

- 1.1 On or before the Issue Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. On the Initial Reference Collateral Purchase Date(s), the Issuer will purchase the Reference Collateral Assets.
- 1.2 For further details relating to the Swap Agreement, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement*".
- 1.3 *The applicable Variable Information for this paragraph 1 is:*
- (a) Initial Reference Collateral Purchase Date: [specify date(s)]
- (b) Reference Collateral Assets: [see paragraph [78] of the Final Terms]

**2. Payments under the Swap Agreement**

- 2.1 On the Issue Date, the Issuer will pay an amount to the Swap Counterparty which is equal to the net issue proceeds of the relevant series of Secured Securities and, on the Initial Reference Collateral Assets Purchase Date, the Swap Counterparty will pay one or more amounts to the Issuer in the relevant Reference Collateral Currency or Reference Collateral Currencies (where applicable) which is equal to the Reference Collateral Purchase Price of each of the Reference Collateral Issues comprised in the Reference Collateral Assets.
- 2.2 On each Reference Collateral Interest Payment Date the Issuer will be obliged to pay an amount (if any) to the Swap Counterparty in the relevant Reference Collateral Currency equal to the scheduled Reference Collateral Coupon Amount due to be paid on the relevant Reference Collateral Interest Payment Date provided that no Early Redemption Event or Event of Default has occurred.
- 2.3 If an Interim Payment Amount is payable in respect of the Secured Securities, the Swap Counterparty will pay an amount to the Issuer which will be equal to such Interim Payment Amount on or before the date on which

such payment is due to be made by the Issuer provided that no Early Redemption Event, Payment Deferment Event or Event of Default has occurred.

- 2.4 On the Scheduled Bond Final Payment Date(s), the Issuer will be obliged to pay an amount (if any) in the Reference Collateral Currency equal to the Scheduled Final Bond Payment due to be received by the Issuer on the Scheduled Final Bond Payment Date to the Swap Counterparty provided that no Early Redemption Event or Event of Default has occurred.
- 2.5 On or prior to the Final Payment Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the aggregate of the Final Payment Amounts that the Issuer is scheduled to pay in respect of the Secured Securities then outstanding, provided that no Early Redemption Event, Payment Deferment Event or Event of Default has occurred.
- 2.6 At any time from the Initial Reference Collateral Purchase Date to, but excluding, the Final Payment Date, the Swap Counterparty has the right but not the obligation to substitute in whole or part a nominal amount of the Reference Collateral Assets with the same (or a corresponding) nominal amount of Qualifying Collateral.
- 2.7 In addition, the Swap Counterparty will be obliged to substitute the Reference Collateral Assets with Qualifying Collateral where the Reference Collateral Assets in whole or in part are redeemed for any reason (other than where a Reference Collateral Credit Event relating to the Reference Collateral Assets has occurred in relation to which the Swap Counterparty has served a Reference Collateral Credit Event Notice, but including upon its stated maturity save where the maturity date of the Reference Collateral Assets falls within the period of two calendar weeks prior to the Final Payment Date).
- 2.8 The notional amount of the Swap Agreement and the aggregate nominal amount of the Reference Collateral Assets will be reduced to take account of any purchase and cancellation of Secured Securities by the Issuer so that the notional amount of the Swap Agreement will be equal to the Aggregate Issue Amount of the Secured Securities left outstanding immediately following any such repurchase and the aggregate nominal amount of the Reference Collateral Assets held by the Issuer will at any time equal in aggregate the Reference Collateral Currency Equivalent of the Collateralisation Nominal Amount.
- 2.9 On each Additional Issuer Swap Payment Date, the Issuer will pay the relevant Additional Issuer Swap Payment Amount to the Swap Counterparty.
- 2.10 On each Additional Counterparty Swap Payment Date, the Swap Counterparty will pay the relevant Additional Counterparty Swap Payment Amount to the Issuer.
- 2.11 Payments under the Swap Agreement will only be made on Swap Business Days.
- 2.12 If so specified in the applicable Final Terms, a Credit Support Structure may apply to the Secured Securities.
- 2.13 *The applicable Variable Information for this paragraph 2 is:*
  - (a) Reference Collateral Interest Payment Date(s): [specify][delete if such dates are each date on which a RCA Issuer is due to pay interest (or equivalent amounts) in respect of the relevant Reference Collateral Assets]
  - (b) Interim Payment Amount(s): [Interest Amount] [specify] [NB: more than one such amount may be payable]/[delete if not applicable]
  - (c) Recovery Access: [Applicable][Not applicable]
  - (d) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable]

- (e) Additional Issuer Swap Payment Date: [specify/delete if there is no Additional Issuer Swap Payment Amount]
- (f) Additional Issuer Swap Payment Amount: [specify/delete]
- (g) Additional Counterparty Swap Payment Date: [specify/delete if there is no Additional Counterparty Swap Payment Amount]
- (h) Additional Counterparty Swap Payment Amount: [specify/delete]
- (i) Swap Business Days: [specify]

### **3. Payments under the Reference Collateral Assets**

- 3.1 On the Initial Reference Collateral Assets Purchase Date, the Issuer will use the amount received from the Swap Counterparty under the Swap Agreement on such date to purchase the Reference Collateral Assets.
- 3.2 On each Reference Collateral Interest Payment Date the relevant RCA Issuer will pay an amount of interest to the Issuer in respect of the nominal amount of the Reference Collateral Assets held by the Issuer at such time.
- 3.3 On the Scheduled Final Bond Payment Date(s), the relevant RCA Issuer will pay to the Issuer the relevant Scheduled Final Bond Payment and the Issuer will be obliged to pay an amount to the Swap Counterparty in the Reference Collateral Currency equal to the relevant Scheduled Final Bond Payment due to be received by the Issuer provided that no Early Redemption Event or Event of Default has occurred.
- 3.4 The applicable Variable Information for this paragraph 3 is:
  - (a) Scheduled Final Bond Payment Date: [specify]/[delete if not applicable or if already specified under paragraph 2 above]

### **4. Arrangements upon which payments to investors are dependent**

The Issuer is dependent on receiving payments (if any) when due from the Swap Counterparty pursuant to the Swap Agreement in the manner described in paragraph 2 above in order to pay (where applicable):

- (a) any Interim Payment Amount in respect of each outstanding Security; and/or
- (b) the Final Payment Amount on the Final Payment Date in respect of each outstanding Security.

### **5. Definitions**

As used in the Charged Asset Structures, the following terms have the meanings set out below:

**"Additional Counterparty Swap Payment Amount"** means the amount specified as such in the applicable Final Terms;

**"Additional Counterparty Swap Payment Date"** means each date specified as such in the applicable Final Terms;

**"Additional Issuer Swap Payment Amount"** means each amount specified as such in the applicable Final Terms;

**"Additional Issuer Swap Payment Date"** means each date specified as such in the applicable Final Terms;

**"Aggregate Automatic Early Redemption Amounts"** means the aggregate of the Automatic Early Redemption Amounts payable in respect of the relevant Secured Securities;

**"Aggregate Issue Amount"** means an amount equal to the Aggregate Nominal Amount of the relevant series of Secured Securities, or such other amount as specified in the applicable Final Terms;

**"Collateral Exchange"** means the Collateral Exchange Counterparty gives notice to the Issuer that it wishes the Issuer to transfer to the Collateral Exchange Counterparty the relevant Reference Collateral Assets and that the Collateral Exchange Counterparty will deliver Replacement Collateral Assets to the Issuer as collateral;

**"Collateralisation Nominal Amount"** means, at any time, an amount equal to the Aggregate Issue Amount of the Secured Securities left outstanding immediately following any repurchase multiplied by the Collateralisation Level of the Secured Securities then outstanding;

**"Credit Default Swap"** means the credit default swap agreement entered into between the Issuer and the Swap Counterparty;

**"Early Redemption Date"** means an Early Redemption Date as defined in Part D of Annex 13 (Additional Terms and Conditions for Secured Securities);

**"Early Redemption Event"** means an Early Redemption Event as defined in Part D of Annex 13 (Additional Terms and Conditions for Secured Securities);

**"Final Payment Amount"** means the Final Redemption Amount;

**"Final Payment Date"** means the Maturity Date;

**"Final Repo Date"** means the date specified as such in the applicable Final Terms;

**"Final Repurchase Price Payment"** means the Repurchase Price paid to the Issuer by the Repo Counterparty on the Final Repo Date excluding the amount of Price Differential paid as part of such Repurchase Price;

**"Interest Rate Swap"** means an interest rate swap agreement entered into between the Issuer and the Swap Counterparty;

**"Initial Reference Collateral Assets Purchase Date"** means (a) the date or dates specified as such in the applicable Final Terms (the **"Scheduled Initial Reference Collateral Assets Purchase Date"**) or (b) if Settlement Grace Period is specified as applicable in the applicable Final Terms, the date or dates falling not later than the number of Business Days equal to the Reference Collateral Assets Grace Period following such Scheduled Initial Reference Collateral Assets Purchase Date;

**"Initial Repo Purchase Date"** means the date specified as such in the applicable Final Terms;

**"Interim Payment Amount"** means an Interest Amount or such other amount specified as such in the applicable Final Terms;

**"Payment Deferment Event"** has the meaning given to it in Part D of Annex 13 (Additional Terms and Conditions for Secured Securities);

**"Qualifying Collateral"** means the Eligible Collateral specified as such in the applicable Final Terms;

**"RCA Issuer"** means the issuer(s) of the Reference Collateral Assets specified in the applicable Final Terms;

**"Reference Collateral Assets"** means the securities specified as such in the applicable Final Terms;

**"Reference Collateral Assets Grace Period"** means the number of Business Days specified as such in the applicable Final Terms;

**"Reference Collateral Currency"** means the currency in which the Reference Collateral Assets are denominated;

**"Reference Collateral Coupon Amount"** means the amount of interest scheduled to be paid by the RCA Issuer(s) in respect of the nominal amount of the Reference Collateral Assets held by the Issuer on the relevant Reference Collateral Interest Payment Date;

**"Reference Collateral Currency Equivalent"** means, in respect of any amount, where the relevant series of Secured Securities and the relevant Reference Collateral Assets are denominated in the same currency, such amount or, where the relevant Reference Collateral Assets and the Securities are denominated in different currencies, the equivalent in the relevant Reference Collateral Currency of the relevant amount (which may be determined by applying one or more fixed exchange rate set out in the relevant Swap Agreement to the currency amount in which the relevant series of Secured Securities is denominated);

**"Reference Collateral Credit Event"** has the meaning given to it in Part D of Annex 13 (Additional Terms and Conditions for Secured Securities);

**"Reference Collateral Credit Event Notice"** has the meaning given to it in Part D of Annex 13 (Additional Terms and Conditions for Secured Securities);

**"Reference Collateral Interest Payment Date"** means each date on which a RCA Issuer is scheduled to pay interest (or an equivalent payment or distribution) in respect of the relevant Reference Collateral Assets or such other date(s) specified in the applicable Final Terms;

**"Reference Collateral Issue"** means, where only one type or issue of securities is specified as the Reference Collateral Assets for the relevant series of Secured Securities, such Reference Collateral Assets specified in the applicable Final Terms, or where more than one type or issue of securities is specified as the Reference Collateral Assets, each such type or issue of securities specified as Reference Collateral Assets for the relevant series of Secured Securities specified in the applicable Final Terms;

**"Reference Collateral Purchase Price"** means the purchase price at which the Issuer acquires the relevant Reference Collateral Issue;

**"Repo Date"** means each date specified as such in the applicable Final Terms;

**"Repurchase Agreement"** means, in respect of a series of Secured Securities, the repurchase agreement entered into between the Issuer and the Repo Counterparty specified in the applicable Final Terms in connection with the relevant series of Secured Securities;

**"Scheduled Final Bond Payment"** means the amount scheduled to be paid by the relevant RCA Issuer(s) in respect of the nominal amount of the Reference Collateral Assets held by the Issuer on the relevant Scheduled Final Bond Payment Date or where there is more than one Reference Collateral Amount, the aggregate of such amounts payable by the relevant RCA Issuers;

**"Scheduled Final Bond Payment Date"** means the date or dates specified as such in the applicable Final Terms;

**"Swap Agreement"** means, in respect of a series of Secured Securities, together, one or more derivatives transactions (as amended from time to time) entered into between the Issuer and the Swap Counterparty specified in the applicable Final Terms in connection with the relevant Secured Securities and, in connection with Charged Asset Structure 4 shall include each of the Interest rate Swap and Credit Default Swap; and

**"Swap Business Days"** means the days on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the cities specified in the applicable Final Terms, and/or where TARGET Settlement Day is specified, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) payment system is open.

## DESCRIPTION OF THE CHARGED ASSETS

### PART VI- CREDIT SUPPORT STRUCTURES

One or more of the following descriptions of the Credit Support Structures may apply to the Secured Securities where Part D of Annex 13(Additional Terms and Conditions for Secured Securities) is specified in the applicable Final Terms, which will also set out certain other information ("**Variable Information**") applicable to the relevant Credit Support Structure (if any) as specified below provided that not more than one Credit Support Structure may apply to any one Swap Agreement, Repurchase Agreement or Collateral Exchange Agreement, as the case may be.

The applicable Final Terms will replicate the applicable paragraphs from the applicable Credit Support Structure provided that information which is not relevant to a particular series of Secured Securities will not be replicated.

#### 1. Credit Support Structure 1

##### 1. General

- 1.1 The Swap Counterparty and the Issuer will enter into a Credit Support Deed with respect to the Swap Agreement.
- 1.2 For further details relating to collateralisation under the Swap Agreement, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement - Collateralisation*".

#### 2. Credit Support

Under the Credit Support Deed the Swap Counterparty will post collateral in respect of its obligations under the Swap Agreement and grant English law governed security over such collateral in favour of the Issuer. The Issuer will assign its rights under the Credit Support Deed by way of security in favour of the Security Trustee. However the Collateral does not constitute Charged Assets and is not owned by the Issuer. The Swap Counterparty Collateral (as defined below) will be held by BNP Paribas Securities Services, Luxembourg Branch on behalf of the Issuer as custodian in a segregated account in accordance with the terms of the Credit Support Deed.

#### 3. Collateral

- 3.1 Under the Credit Support Deed the Swap Counterparty will post Swap Counterparty Collateral in respect of its obligations under the Swap Agreement. The "**Swap Counterparty Collateral**" in respect of a Swap Agreement will be those assets specified in the applicable Final Terms.
- 3.2 The amount of Swap Counterparty Collateral posted by the Swap Counterparty will be adjusted on each Swap Agreement Valuation Date so that it is equal in value, (as multiplied by the valuation percentage applicable to relevant item of collateral), as determined by the Credit Support Valuation Agent acting in its sole and absolute discretion, to the product of the Support Percentage and the MtM Value of the Swap Agreement on such Swap Agreement Valuation Date.

#### 2. Credit Support Structure 2

##### 1. General

- 1.1 The Swap Counterparty and the Issuer will enter into a Credit Support Annex with respect to the Swap Agreement.
- 1.2 For further details relating to collateralisation under the Swap Agreement, please see "*Description of the Charged Assets – Description of the Swap Agreement - Collateralisation*".

## 2. Credit support

Under the Credit Support Annex the Swap Counterparty will transfer collateral in respect of its obligations under the Swap Agreement to the Issuer. The Issuer will assign its rights under the Credit Support Annex by way of security in favour of the Security Trustee and the Swap Counterparty Collateral will constitute Credit Support Assets and from part of the Collateral Assets. The Swap Counterparty Collateral will be held by the Collateral Custodian on behalf of the Issuer.

## 3. Collateral

3.1 Under the Credit Support Annex the Swap Counterparty will transfer collateral in respect of its obligations under the Swap Agreement. The "**Swap Counterparty Collateral**" in respect of a Swap Agreement will be those assets specified in the applicable Final Terms. Swap Counterparty Collateral will constitute Credit Support Assets for the purposes of Part D of Annex 13.

3.2 The amount of Swap Counterparty Collateral posted by the Swap Counterparty will be adjusted on each Swap Agreement Valuation Date so that it is equal in value, (as multiplied by the valuation percentage applicable to relevant item of collateral), as determined by the Credit Support Valuation Agent acting in its sole and absolute discretion, to the product of the Support Percentage and the MtM Value of the Swap Agreement on such Swap Agreement Valuation Date.

## 3. Credit Support Structure 3

### 1. General

1.1 The Swap Counterparty and the Issuer will enter into a Credit Support Annex with respect to the Swap Agreement.

1.2 For further details relating to collateralisation under the Swap Agreement, please see "*Description of the Charged Assets – Part II – Description of the Swap Agreement - Collateralisation*".

### 2. Credit Support

Under the Credit Support Annex the Swap Counterparty will transfer collateral in respect of its obligations under the Swap Agreement to the Issuer and the Issuer will transfer collateral in respect of its obligations under the Swap Agreement to the Swap Counterparty. The Issuer will assign its rights under the Credit Support Annex by way of security in favour of the Security Trustee and the Swap Counterparty Collateral will constitute Credit Support Assets and from part of the Collateral Assets.. The Swap Counterparty Collateral will be held by the Collateral Custodian on behalf of the Issuer.

### 3. Collateral

3.1 Under the Credit Support Annex the Swap Counterparty will transfer Swap Counterparty Collateral in respect of its obligations under the Swap Agreement. The "**Swap Counterparty Collateral**" in respect of a Swap Agreement will be those assets specified in the applicable Final Terms.

3.2 Under the Credit Support Annex the Issuer will transfer Reference Collateral Assets to the Swap Counterparty in respect of its obligations under the Swap Agreement (the "**Issuer Posted Collateral**").

3.3 The amount of Swap Counterparty Collateral transferred by the Swap Counterparty to the Issuer or by the Issuer to the Swap Counterparty will be adjusted on each Swap Agreement Valuation Date so that it is equal in value (as multiplied by the valuation percentage applicable to relevant item of collateral), as determined by the Credit Support Valuation Agent acting in its sole and absolute discretion, to the product of the Support Percentage and the MtM Value of the Swap Agreement on such Swap Agreement Valuation Date.

- 3.4 The Issuer will not be required to transfer at any time in aggregate a nominal amount of the Reference Collateral Assets which is greater than the then Aggregate Amount of the Secured Securities as Issuer Posted Collateral under the Credit Support Annex.

#### 4. **Credit Support Structure 4**

**This Credit Support Structure shall only be applicable if specified in the applicable Final Terms and if Charged Asset Structure 4 (Repurchase Agreement and Swap Agreement) is specified as applicable.**

Under the Repurchase Agreement, the Value of the Repo Collateral Securities which are the subject of the then current Repo Transaction will be determined by the Repo Calculation Agent on each Repo Transaction Valuation Date. If on any Repo Transaction Valuation Date the Issuer has a Net Exposure to the Repo Counterparty exceeding the Minimum Transfer Amount, the Repo Counterparty will transfer further Repo Collateral Securities with a Value at least equal to such Net Exposure to the Issuer as margin on or prior to the Margin Delivery Date; if on any Repo Transaction Valuation Date, the Value of the Repo Collateral Securities is greater than the Repurchase Price by an amount equal to or greater than the Minimum Transfer Amount, then the Issuer will transfer an amount of Equivalent Securities in respect of the Repo Collateral Securities with a Value equal to such excess to the Repo Counterparty upon request by the Repo Counterparty.

For this purpose, the Issuer has a "**Net Exposure**" to the Repo Counterparty if the Repurchase Price exceeds the Margin Calculation Value of the Repo Collateral Securities which are the subject of the then current Repo Transaction already transferred to the Issuer by the Repo Counterparty.

#### 5. **Credit Support Structure 5**

This Credit Support Structure shall only be applicable if specified in the applicable Final Terms and if Charged Asset Structure 5 (Interest Bearing Reference Collateral Assets, Swap Agreement and Collateral Exchange Agreement) is specified as applicable.

Under the Collateral Exchange Agreement, the Value of the Received Collateral which is the subject of the then current Exchange Transaction will be determined by the Collateral Exchange Counterparty on each Exchange Transaction Valuation Date. If on any Exchange Transaction Valuation Date the Issuer has a Net Exposure to the Collateral Exchange Counterparty exceeding the Minimum Transfer Amount, the Collateral Exchange Counterparty will transfer further Replacement Collateral Assets with a Value at least equal to such Net Exposure to the Issuer as margin on or prior to the Margin Delivery Date; if on any Exchange Transaction Valuation Date, the Value of the Replacement Collateral Assets is greater than the Value of the Received Collateral by an amount equal to or greater than the Minimum Transfer Amount, then the Issuer will transfer an amount of Equivalent Securities in respect of the Replacement Collateral Assets with a Value equal to such excess to the Collateral Exchange Counterparty upon request by the Collateral Exchange Counterparty.

For this purpose, the Issuer has a "Net Exposure" to the Collateral Exchange Counterparty if the Exchange Value exceeds the Exchange Margin Calculation Value of the Replacement Collateral Assets which are the subject of the then current Exchange Transaction already transferred to the Issuer by the Collateral Exchange Counterparty.

#### 6. **Definitions**

As used in the Credit Support Structures, the following terms have the meanings set out below:

"**Aggregate Amount**" means the aggregate Nominal Amount then outstanding of the Secured Securities.

"**Credit Support Valuation Agent**" means the party specified as such in the applicable Final Terms.

**"Exchange Margin Calculation Value"** means the sum of (i) the Margin Calculation Value of the Replacement Collateral Assets which are the subject of the then current Exchange Transaction already transferred to the Issuer by the Collateral Exchange Counterparty and (ii) such other amounts (if any) specified in the applicable Final Terms.

**"Exchange Transaction Valuation Date"** means the date or dates specified as such in the applicable Final Terms.

**"Exchange Value"** means the sum of (i) Value of the Received Collateral which is the subject of the then current Exchange Transaction and (ii) such other amounts (if any) specified in the applicable Final Terms.

**"Margin Calculation Value"** means the Value multiplied by the Over Collateralisation Level.

**"Margin Delivery Date"** means the date specified as such in the applicable Final Terms.

**"Minimum Transfer Amount"** means the amount specified as such in the applicable Final Terms.

**"Over Collateralisation Level"** means the percentage or amount specified as such in the applicable Final Terms. If no Over Collateralisation Level is specified in the applicable Final Terms, the applicable Over Collateralisation Level shall be equal to 100 per cent.

**"Repo Transaction Valuation Date"** means the date or dates specified as such in the applicable Final Terms.

**"Support Percentage"** means the percentage specified in the applicable Final Terms. If no Support Percentage is specified in the applicable Final Terms, the applicable Support Percentage shall be equal to 100 per cent.

**"Swap Agreement Valuation Date"** means the date or dates specified as such in the applicable Final Terms.

**"Value"** means the market value or such other value specified in the applicable Final Terms.

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

**[The Base Prospectus [expires/will be updated] on [●] June 2017 [and the Issuer intends that the Base Prospectus will be immediately updated thereafter.] The updated base prospectus will be available on the AMF website [www.amf-france.org](http://www.amf-france.org) and <https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>.]<sup>1</sup>**

**FINAL TERMS DATED [●]**

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

*(incorporated in The Netherlands)*

*(as Issuer)]*

**[BNP Paribas**

*(incorporated in France)*

*(as Guarantor)]*

**[BNP Paribas Fortis Funding**

*(incorporated in Luxembourg)*

*(as Issuer)]*

**[BNP Paribas Fortis SA/NV**

*(incorporated in Belgium)*

*(as Guarantor)]*

[insert title of Securities]

under the Note, Warrant and Certificate Programme

*of BNP Paribas Arbitrage Issuance B.V., BNP Paribas and BNP Paribas Fortis Funding*

**[BNP Paribas Arbitrage S.N.C.**

*(as Manager)]*

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

- (i) in those Non-exempt Offer Jurisdictions mentioned in Paragraph 76 of Part A below, provided such person is a Manager or an Authorised Offeror (as such term is defined in the Base Prospectus) and that the offer is made during the Offer Period specified in that paragraph and that any conditions relevant to the use of the Base Prospectus are complied with; or
- (ii) otherwise]<sup>2</sup> in circumstances in which no obligation arises for the Issuer[, the Guarantor] or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

[Neither] [None of] the Issuer [nor], [the Guarantor or] any Manager has authorised, [n]or [do they] authorise[s], the making of any offer of Notes in any other circumstances.

[Investors should note that if a supplement to or an updated version of the Base Prospectus referred to below is published at any time during the Offer Period (as defined below), such supplement or updated base prospectus as the case may be, will be published and made available in accordance with the arrangements applied to the original publication of these Final Terms. Any investors who have indicated acceptances of the Offer (as defined below) prior

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

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

to the date of publication of such supplement or updated version of the Base Prospectus, as the case may be (the "**Publication Date**"), have the right within two working days of the Publication Date to withdraw their acceptances]<sup>3</sup>.

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<sup>3</sup> Include in respect of issues of Notes for which the offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth under the section[s] entitled "Terms and Conditions of the Notes" [and Annex 1 – Additional Terms and Conditions for Payouts, Annex 2 – Additional Terms and Conditions for Index Securities, Annex 3 – Additional Terms and Conditions for Share Securities, Annex 4 – Additional Terms and Conditions for ETI Securities, Annex 5 – Additional Terms and Conditions for Debt Securities, Annex 6 – Additional Terms and Conditions for Commodity Securities, Annex 7 – Additional Terms and Conditions for Inflation Index Securities, Annex 8 – Additional Terms and Conditions for Currency Securities, Annex 9 – Additional Terms and Conditions for Fund Securities, Annex 10 – Additional Terms and Conditions for Futures Securities, Annex 11 – Additional Terms and Conditions for Underlying Interest Rate Securities, Annex 12 – Additional Terms and Conditions for Credit Securities and Annex 13 – Additional Terms and Conditions for Secured Securities] in the Base Prospectus dated 9 June 2016 which received visa n° [●] from the *Autorité des marchés financiers* ("**AMF**") on 9 June 2016 and any Supplement(s) thereto approved and published on or before the date of these Final Terms (copies of which are available as described below), which together constitute a base prospectus for the purposes of the Directive 2003/71/EC (the "**Prospectus Directive**") (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive, and must be read in conjunction with the Base Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and these Final Terms (in each case, together with any documents incorporated therein by reference) are available for viewing at, and copies may be obtained free of charge from, [BNP Paribas Securities Services, Luxembourg Branch]/[BNP Paribas Securities Services Milan Branch]/[BNP Paribas Arbitrage S.N.C.] (in its capacity as Principal Paying Agent), [insert address], and (save in respect of the Final Terms) on [website]. The Base Prospectus [and these Final Terms] will also be available on the AMF website [www.amf-france.org](http://www.amf-france.org) [and these Final Terms will be available for viewing on the website of [insert name of the Regulated Market on which the Notes are admitted to trading].] A copy of these Final Terms and the Base Prospectus will be sent free of charge by the Issuer to any investor requesting such documents. [A summary of the Securities (which comprises the Summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.].

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

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth under the section[s] entitled "Terms and Conditions of the Notes" [and Annex 1 – Additional Terms and Conditions for Payouts, Annex 2 – Additional Terms and Conditions for Index Securities, Annex 3 – Additional Terms and Conditions for Share Securities, Annex 4 – Additional Terms and Conditions for ETI Securities, Annex 5 – Additional Terms and Conditions for Debt Securities, Annex 6 – Additional Terms and Conditions for Commodity Securities, Annex 7 – Additional Terms and Conditions for Inflation Index Securities, Annex 8 – Additional Terms and Conditions for Currency Securities, Annex 9 – Additional Terms and Conditions for Fund Securities, Annex 10 – Additional Terms and Conditions for Futures Securities, Annex 11 – Additional Terms and Conditions for Underlying Interest Rate Securities, Annex 12 – Additional Terms and Conditions for Credit Securities and Annex 13 – Additional Terms and Conditions for Secured Securities] in the Base Prospectus dated [original date] [and the Supplement[s] to it dated [●]] which are incorporated by reference in the Base Prospectus dated [current date] 2016. This document

constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive, and must be read in conjunction with the Base Prospectus dated [*current date*] which received visa n° [●] from the *Autorité des marchés financiers* ("**AMF**") on 9 June 2016 and any Supplement(s) thereto approved and published on or before the date of these Final Terms (copies of which are available as described below), which together constitute a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [A summary of the Securities (which comprises the Summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.]. [**The Base Prospectus and these Final Terms are available for viewing at, and copies may be obtained from [the Principal Paying Agent] and will be available on the AMF website [www.amf-france.org](http://www.amf-france.org).**]

*The following alternative language applies in respect of issues of Securities where the public offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus.*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth under the section[s] entitled "Terms and Conditions of the Notes" [and Annex 1 – Additional Terms and Conditions for Payouts, Annex 2 – Additional Terms and Conditions for Index Securities, Annex 3 – Additional Terms and Conditions for Share Securities, Annex 4 – Additional Terms and Conditions for ETI Securities, Annex 5 – Additional Terms and Conditions for Debt Securities, Annex 6 – Additional Terms and Conditions for Commodity Securities, Annex 7 – Additional Terms and Conditions for Inflation Index Securities, Annex 8 – Additional Terms and Conditions for Currency Securities, Annex 9 – Additional Terms and Conditions for Fund Securities, Annex 10 – Additional Terms and Conditions for Futures Securities, Annex 11 – Additional Terms and Conditions for Underlying Interest Rate Securities, Annex 12 – Additional Terms and Conditions for Credit Securities and Annex 13 – Additional Terms and Conditions for Secured Securities] in the Base Prospectus dated 9 June 2016[, [the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below)] [and any other Supplement to the Base Prospectus which may have been published and approved (such date of publication and approval, the "**Publication Date**") before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate) (together, the "**2016 Base Prospectus**")], notwithstanding the approval of an updated base prospectus which will replace (the "**2017 Base Prospectus**"), which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"). [The Base Prospectus has been passported into Italy in compliance with Article 18 of the Prospectus Directive.]<sup>4</sup> This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and [(i) prior to the Publication Date, must be read in conjunction with the 2016 Base Prospectus, as supplemented, or (ii)] [on and after the publication of the 2017 Base Prospectus, must be read in conjunction with the 2017 Base Prospectus, as supplemented,] save in respect of the Conditions which are extracted from the 2016 Base Prospectus as supplemented, as the case may be. The 2016 Base Prospectus, as supplemented constitutes[, and the 2017 Base Prospectus will constitute,] a base prospectus for the purposes of the Prospectus Directive. Full information on [BNP Paribas Arbitrage Issuance B.V.]/[BNP Paribas Fortis Funding] (the "**Issuer**") [[BNP Paribas]/[BNP Paribas Fortis SA/NV] (the "**Guarantor**") and the offer of the Securities is only available on the basis of the combination of these Final Terms and [either] [(i) prior to the Publication Date, the 2016 Base Prospectus, as supplemented, or (ii)] [on or after the publication and approval of the 2017 Base Prospectus, the 2017 Base Prospectus, as supplemented], save in respect of the Conditions which are extracted from the 2016 Base Prospectus, as the case may be. [The Issuer has in the 2016 Base Prospectus given consent to the use of the 2016 Base Prospectus in connection with the offer of the Securities. Such consent will be valid until the date that is twelve months following the date of the 2016 Base Prospectus. The Issuer will in the 2017 Base Prospectus give consent to the use of the 2017 Base Prospectus in connection with the offer of the Securities.]. [A summary of the Securities (which comprises the

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

Summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.] **[The Base Prospectus [and any Supplement(s) to the Base Prospectus] [and these Final Terms]<sup>5</sup> [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge at the specified offices of the Paying Agents.]]** The Base Prospectus, [these Final Terms [and the Supplement(s) to the Base Prospectus] will also be available on the AMF website [www.amf-france.org](http://www.amf-france.org)] [*Include whichever of the following apply or specify as "Not applicable" (N/A). Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or sub paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms. However, such numbering may change where individual paragraphs or sub-paragraphs are removed.*]

[*When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.*]

- |    |                                    |   |
|----|------------------------------------|---|
| 1. | [(i)] Issuer:                      | [BNP Paribas Arbitrage Issuance B.V.]/[BNP Paribas Fortis Funding]  |
|    | [(ii)] [Guarantor:                 | [BNP Paribas] ( <i>only if BNPP B.V. acts as Issuer</i> )<br>[BNP Paribas Fortis SA/NV] ( <i>only if BP2F acts as Issuer</i> )  |
| 2. | Trade Date:                        | [specify] [Not applicable]  |
| 3. | (i) Series Number:                 | [●]   |
|    | (ii) Tranche Number:               | [●]   |
|    |                                    | ( <i>If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible</i> )   |
| 4. | (i) Specified Currency:            | [●]   |
|    | (ii) Settlement Currency           | [●]   |
|    | Specified Exchange Rate:           | [specify set exchange rate]/[Not applicable]  |
|    |                                    | (N.B. Specified Exchange Rate should be completed if the exchange rate is set up-front).  |
|    | Settlement Currency Exchange Rate: | [Not applicable]/[the exchange rate at [specify time], expressed as the amount of [specify currency] for which one [specify currency unit] may be exchanged by reference to [specify source] (or any successor [page] thereto, as determined by the Calculation Agent)]/[the exchange rate obtained by multiplying (i) [specify first exchange rate] and (ii) [specify second exchange rate], with [specify first exchange rate] expressed as the amount of [specify currency] for which one [specify currency] may be exchanged determined by the Calculation Agent by reference to [specify source] (or any successor [page] thereto, as determined by the Calculation Agent) at [specify time] and [specify second exchange rate] expressed as the |

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

amount of [specify currency] for which one [specify currency] may be exchanged determined by the Calculation Agent by reference to [specify source] (or any successor [page] thereto, as determined by the Calculation Agent) at [specify time]]

Settlement Currency Exchange Rate  
Observation Date:

Business Days (*Settlement Currency Exchange Rate Provisions not required if the Specified Currency and the Settlement Currency are the same*).

Reference Jurisdiction:

[specify]

5. Aggregate Nominal Amount:

(i) Series:

(ii) Tranche:

6. Issue Price of Tranche:

per cent. Of the Aggregate Nominal Amount [plus accrued interest from [insert date] (*in the case of fungible issues only if applicable*)][which will be payable in the Settlement Currency at the Settlement Currency equivalent of such amount determined by reference to the Initial FX Rate.

Where:

**"Initial FX Rate"** means [specify]/ [the exchange rate at [specify time] on the [ Business Day prior to the Issue Date], expressed as the amount of [specify currency] for which one [specify currency] may be exchanged determined by the Calculation Agent by reference to [specify source] (or any successor [page] thereto, as determined by the Calculation Agent), provided that if such source is not available, any such rate of exchange may be determined by the Calculation Agent [by reference to such sources as it considers to be appropriate acting in good faith and in a commercially reasonable manner]/[the exchange rate obtained by multiplying (i) [specify first exchange rate] and (ii) [specify second exchange rate], with [specify first exchange rate] expressed as the amount of [specify currency] for which one [specify currency] may be exchanged determined by the Calculation Agent by reference to [specify source] (or any successor [page] thereto, as determined by the Calculation Agent) at [specify date/time] and [specify second exchange rate] expressed as the amount of [specify currency] for which one [specify currency] may be exchanged determined by the Calculation Agent by reference to [specify source] (or any successor [page] thereto, as determined by the Calculation Agent) at [specify date/time] provided that if any such source is not available, any such rate of exchange may be determined by

the Calculation Agent [by reference to such sources as it considers to be appropriate acting in good faith and in a commercially reasonable manner]

7. Minimum Trading Size: [specify]

8. (i) Specified Denomination: [●] [●]

*(N.B. Following the entry into force of the 2010 PD Amending Directive on 31 December 2010, Notes to be admitted to trading on a regulated market within the European Economic Area with a maturity date which will fall after the implementation date of the 2010 PD Amending Directive in the relevant European Economic Area Member State (which is due to be no later than 1 July 2012) must have a minimum denomination of €100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities. Similarly, Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)*

*(Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*

*"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].")*

(ii) Calculation Amount (Applicable to Notes in definitive form): *(If only one Specified Denomination, insert the Specified Denomination.*

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

*Note: There must be a common factor in the case of two or more Specified Denominations.)*

9. (i) [Issue Date [and Interest Commencement Date]:] [●]

(ii) [Interest Commencement Date (if different from the Issue Date):] [●]

10. Maturity Date: [Specify date] [(the "**Scheduled Maturity Date**") [or if that is not a Business Day the immediately [succeeding/preceding] Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding

Business Day]

11. Form of Notes: [Bearer/Registered/Italian Dematerialised Notes]
12. Interest Basis: [[●] per cent. Fixed Rate][[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate][Fixed Rate and Floating Rate][Zero Coupon][Index Linked Interest][Share Linked Interest][Inflation Linked Interest][Commodity Linked Interest][Fund Linked Interest][ETI Linked Interest][Currency Linked Interest][Hybrid Linked Interest][Underlying Interest Rate Linked Interest][and Dual Currency Interest] [*If the Notes are Dual Currency Interest Notes, another Interest Basis must always be specified.*]
- [Debt Linked Interest]  
(further particulars specified below)
- [Non-interest bearing]
13. Coupon Switch: [Applicable/Not applicable]
- [If applicable:
- [Coupon Switch Election: Applicable]/[Automatic Coupon Switch: Applicable [*insert relevant provisions from Conditions*]]
- Pre-Switch Coupon: [*specify Interest Basis*] – [Fixed Rate]/[Floating Rate]/[Linked Interest: [SPS Fixed Coupon]/[SPS Variable Amount Coupon]/[Digital Coupon]/[Snowball Digital Coupon]/[Accrual Digital Coupon]/[Stellar Coupon]/[Cappuccino Coupon]/[Ratchet Coupon]/[Driver Coupon]/[Nova Coupon]/[Sum Coupon]/[Option Max Coupon]/[FX Vanilla Coupon]/[FX Digital Coupon]/[FX Range Accrual Coupon]/[FX Memory Coupon]/[FI Digital Coupon]/[Range Accrual Coupon]/[Combination Floater Coupon]/[PRDC Coupon]/[FI Digital Floor Coupon]/[FI Digital Cap Coupon]/[FI Target Coupon]] (see items [*specify*] below)
- Post-Switch Coupon: [*specify Interest Basis*] – [Fixed Rate]/[Floating Rate]/[Linked Interest: [SPS Fixed Coupon]/[SPS Variable Amount Coupon]/[Digital Coupon]/[Snowball Digital Coupon]/[Accrual Digital Coupon]/[Stellar Coupon]/[Cappuccino Coupon]/[Ratchet Coupon]/[Driver Coupon]/[Nova Coupon]/[Sum Coupon]/[Option Max Coupon]/[FX Vanilla Coupon]/[FX Digital Coupon]/[FX Range Accrual Coupon]/[FX Memory Coupon]/[FI Digital Coupon]/[Range Accrual Coupon]/[Combination Floater Coupon]/[PRDC Coupon]/[FI Digital Floor Coupon]/[FI Digital Cap Coupon]/[FI Target Coupon]] [*Insert relevant*

*provisions, replicating relevant prompts from items 28-43, as applicable, below]*

Additional Switch Coupon:

[Applicable/Not applicable][*If applicable:*

*specify*] [Calculation Amount × [●] %]

Coupon Switch Date(s):

*specify*]

14. Redemption/Payment Basis:

[Redemption at par][*specify*] per cent. Of nominal amount][Index Linked Redemption][Share Linked Redemption][Inflation Linked Redemption][Commodity Linked Redemption][Fund Linked Redemption][Credit Linked Redemption][ETI Linked Redemption][Foreign Exchange (FX) Rate Linked Redemption][Hybrid Redemption][Underlying Interest Rate Linked Redemption][Debt Linked Redemption][Partly Paid][Instalment][and Dual Currency Redemption][*If the Notes are Dual Currency Redemption Notes, another Redemption/Payment Basis must always be specified.*]

Payout Switch: [Applicable/Not applicable]

[Payout Switch Election: [Applicable/Not applicable]]

*[If applicable insert relevant provisions from Conditions]*

Unwind Costs: [Applicable]/[Not Applicable]

*[Insert where BNP Paribas Arbitrage B.V. is the Issuer: Waiver of Set-Off: Not applicable]*

15. Put/Call Options:

[Noteholder Put Option][Issuer Call Option][Not applicable]

[(further particulars specified below)]

16. Exchange Rate:

*[insert rate of exchange and details of how and when such rate is to be ascertained]/[Not applicable]*

17. Strike Date:

*specify*]/[Not applicable]/[see item [●] above/below]

[Currency Convention: [As per Conditions]/[Modified Following Currency Convention]/[Preceding Currency Convention]] (*N.B. Only applicable to Currency Securities*)

18. Strike Price:

*specify*] / [see item [●] above] / [Not applicable]

19. Averaging:

Averaging [applies/does not apply] to the Securities. [The Averaging Dates are *specify*.] (*Not applicable to Inflation Index Securities*)

[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as

defined in Condition 13) will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*

[Currency Convention: [As per Conditions]/[Modified Following Currency Convention]/[Preceding Currency Convention]] *(N.B. only applicable to Currency Securities)*

[In the event that an Averaging Date is a Disrupted Day, the provisions of Annex 2 will apply] *(N.B. Only applicable to Index Securities relating to a Custom Index)*

20. Observation Dates: [specify]/[Not applicable]

[Currency Convention: [As per Conditions]/[Modified Following Currency Convention]/[Preceding Currency Convention]] *(N.B. only applicable to Currency Securities)*

[In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*

[In the event that an Observation Date is a Disrupted Day, the provisions of Annex 2 will apply] *(N.B. Only applicable to Index Securities relating to a Custom Index)*

[Observation Day Disruption Consequences are not applicable.]

21. Observation Period: [specify]/[Not applicable] *(Not applicable to Inflation Index Securities)*

22. Additional Disruption Events: [Applicable/Not applicable]/[[Change in Law/Hedging Disruption]/[Collateral Disruption]/[Increased Cost of Collateral Assets]<sup>6</sup>] does not apply to the Securities]

23. Optional Additional Disruption Events: [Not applicable]/[The following Optional Additional Disruption Events apply to the Securities: *(Specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Securities, Share Securities, ETI Securities and Commodity Securities. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Securities, Currency Securities and Fund Securities.)*  
[Increased Cost of Hedging]  
[Increased Cost of Stock Borrow]  
[Insolvency Filing]  
*(N.B. Only applicable in the case of Share Securities)*  
[Cancellation Event]

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<sup>6</sup> Specify these events as not applicable where Part A, B or C of Annex 13 applies and these events are to be disappplied.

*(N.B. Only applicable in the case of Debt Securities)*

[Loss of Stock Borrow]

[[Stop-Loss Event]

[Stop-Loss Event Percentage: [5] per cent.]]

[Currency Event]

[Force Majeure Event]

[Jurisdiction Event]

[Hedging Party Default]

[The Maximum Stock Loan Rate in respect of [*specify in relation to each relevant Share/Security*] is [●].

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

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

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

Delayed Redemption on Occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event: [Applicable/Not applicable]

*[if applicable:*

Principal Protected Termination Amount: [Applicable/Not applicable]

*[If Principal Protected Termination Amount is applicable: Protected Amount: [*specify*] per cent. of the Specified Denomination]]*

**24. Knock-in Event<sup>7</sup>:**

[Applicable/Not applicable]

[If applicable:

*[specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"]]*

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

**(i) SPS Knock-in Valuation:**

[Applicable/Not applicable]

*[If applicable insert relevant provisions from Conditions]*

*[If SPS Knock-in Valuation is not applicable and the Securities are Currency Securities, specify if FX Knock-in Valuation is applicable].*

*[If FX Knock-in Valuation is applicable, insert relevant provisions from Conditions]*

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<sup>7</sup> Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities and Futures Securities.

- [FX Coupon Performance: [Applicable/Not applicable]]
- [Performance Value: [Applicable/Not applicable]]
- (ii) Level: [Official level]/Official close/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level]] [Not applicable]
- (iii) Knock-in Level/Knock-in Range Level: *[specify]*[FX Knock-in Level]
- [If FX Knock-in Level is specified, insert relevant provisions from Conditions]*
- (iv) Knock-in Period Beginning Date: *[specify]*
- (v) Knock-in Period Beginning Date Day Convention: [Applicable/Not applicable]
- (vi) Knock-in Determination Period: *[specify]*/[See definition in Condition 11.7]
- (vii) Knock-in Determination Day(s): *[specify]*/[Each [Scheduled Trading Day/Scheduled Custom Index Business Day/ Commodity Business Day/Fund Business Day/Business Day] in the Knock-in Determination Period]
- (viii) Knock-in Period Ending Date: *[specify]*
- (ix) Knock-in Period Ending Date Day Convention: [Applicable/Not applicable]
- (x) Knock-in Valuation Time: *[specify]*/See definition in Condition 11.7/[Valuation Time]/[Any time on a Knock-in Determination Day]/Not applicable]
- (xi) Knock-in Observation Price Source: *[specify]*
- (xii) Disruption Consequences: *[Applicable/Not applicable]*
- 25.** Knock-out Event<sup>8</sup>: [Applicable/Not applicable]
- [If applicable:
- [specify]*/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) SPS Knock-out Valuation: [Applicable/Not applicable]
- [If applicable insert relevant provisions from Conditions]*

<sup>8</sup> Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities and Futures Securities.

*[If SPS Knock-out Valuation is not applicable and the Securities are Currency Securities, specify if FX Knock-out Valuation is applicable]*

*[If FX Knock-out Valuation is applicable, insert relevant provisions from Conditions]*

[FX Coupon Performance: [Applicable/Not applicable]]

[Performance Value: [Applicable/Not applicable]]

(ii) Level: [Official level]/[Official close]/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level] [Not applicable]

(iii) Knock-out Level /Knock-out Range Level: *[specify]*[FX Knock-out Level]

*[If FX Knock-out Level is specified, insert relevant provisions from Conditions]*

(iv) Knock-out Period Beginning Date: *[specify]*

(v) Knock-out Period Beginning Date Day Convention: [Applicable/Not applicable]

(vi) Knock-out Determination Period: *[specify]*/[See definition in Condition 11.7]

(vii) Knock-out Determination Day(s): *[specify]*/[Each [Scheduled Trading Day/Scheduled Custom Index Business Day/Commodity Business Day/Fund Business Day/Business Day] in the Knock-out Determination Period]

(viii) Knock-out Period Ending Date: *[specify]*

(ix) Knock-out Period Ending Date Day Convention: [Not applicable/Applicable]

(x) Knock-out Valuation Time: *[specify]*/[See definition in Condition 11.7] [Any time on a Knock-out Determination Day]/[Valuation Time]/[Not applicable]

(xi) Knock-out Observation Price Source: *[specify]*

(xii) Disruption Consequences: *[Applicable/Not applicable]*

**26.** Tax Gross-up: [Condition 6.4 (*No Gross-up*) applicable]/[Condition 6.4 (*No Gross-up*) not applicable]

**27.** Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

**28.** Interest: [Applicable/Not applicable]

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

*(If the Notes are Fixed Rate and Floating Rate Notes, complete prompts (i) to (xiii) accordingly)*

- (i) Interest Period(s): [specify]
- (ii) Interest Period End Date(s): [specify]
- (iii) Business Day Convention for Interest Period End Date(s): [Following / Modified Following / Preceding / FRN / None / Not applicable]
- (iv) Interest Payment Date(s): [specify]
- (v) Business Day Convention for Interest Payment Date(s): [Following / Modified Following / Preceding / FRN / None / Not applicable]

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

- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [specify]
- (vii) Margin(s): [[+/-][specify] per cent. Per annum / Not applicable]
- (viii) Minimum Interest Rate: [[specify] per cent. Per annum / Not applicable]
- (ix) Maximum Interest Rate: [[specify] per cent. Per annum / Not applicable]
- (x) Day Count Fraction: [specify] / [unadjusted]
- (xi) Determination Dates: [specify] in each year [*insert regular payment dates, ignoring issue date or redemption date in the case of a long or short first or last coupon.*] (NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))
- (xii) Accrual to Redemption: [Applicable/Not applicable]

[If Accrual to Redemption is Not applicable:

Accrual to Preceding IPED: [Applicable/Not applicable][*insert in the case of Credit Securities where Accrual to Redemption is Not applicable*]]

- (xiii) Rate of Interest: [Fixed Rate]  
[Floating Rate]

[Linked Interest]

(xiv) Coupon Rate: *(Include one or more of the following if applicable)*

[SPS Fixed Coupon

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

[SPS Variable Amount Coupon

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

[Digital Coupon applicable:

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

[Snowball Digital Coupon applicable:

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

[Accrual Digital Coupon applicable:

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

[Stellar Coupon applicable:

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

[Cappuccino Coupon applicable:

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

[Ratchet Coupon applicable:

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

[Driver Coupon applicable:

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

[Nova Coupon applicable:

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

[Sum Coupon applicable:

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

[Option Max Coupon applicable:

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

[FX Vanilla Coupon applicable:

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

*provisions from Payout Conditions.]]*

[FI Digital Coupon applicable:

*[Insert formula, relevant value(s) and other related provisions from Payout Conditions] (If FI Digital Coupon is applicable, distinguish in "Rate" below, between the Rate which is FI Rate A and the Rate which is FI Rate B)]*

[FX Digital Coupon applicable:

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

[Range Accrual Coupon applicable:

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

[FX Range Accrual Coupon applicable:

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

[FX Memory Coupon applicable:

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

[Combination Floater applicable:

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

[PRDC Coupon applicable:

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

[FI Digital Floor Coupon applicable:

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

[FI Digital Cap Coupon applicable:

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

[FI Target Coupon applicable:

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

[Rate:

*[[●] per cent. [per annum]*

*(if more than one fixed rate is to be determined, specify each such rate)*

*[Floating Rate – [Screen Rate Determination/ISDA Determination/BBF Determination]*

*(If more than one floating rate is to be determined, repeat sub-paragraphs of 31 and 32, as applicable, for each such*

rate)]

[Vanilla Call Rate

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

[Vanilla Call Spread Rate

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

**29. Fixed Rate Provisions:**

[Applicable/Not applicable]

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

*(Specify if more than one fixed rate is to be determined)*

(i) Fixed Rate[(s)] of Interest:

[●] per cent. [per annum]

(ii) Fixed Coupon Amount(s):

[ [●] per Calculation Amount] / [Not applicable]

(iii) Broken Amount(s):

[Applicable / Not applicable]

**30. Floating Rate Provisions:**

[Applicable/Not applicable]

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

*(Specify if more than one floating rates is to be determined)*

(i) Manner in which the Rate of Interest and Interest Amount is to be determined:

[Screen Rate Determination/ISDA Determination/FBF Determination]

(ii) Linear Interpolation:

[Not applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

**31. Screen Rate Determination:**

[Applicable/Not applicable]

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

– Reference Rate:

[LIBOR/EURIBOR] (*The Reference Rate must be LIBOR or EURIBOR*)

– Interest Determination Date(s):

[●]

*(Second London business day prior to the start of each Interest Period if LIBOR and second TARGET2 day prior to the start of each Interest Period if EURIBOR)*

– Specified Time:

[●] (*which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR*)

- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate)*
32. ISDA Determination: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: [●]  
– Designated Maturity: [●]  
– Reset Date: [●]
33. FBF Determination: [Applicable/Not applicable]  
[If applicable:  
*[specify relevant terms]*]
34. Zero Coupon Provisions: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [●] per cent. Per annum  
(ii) Reference Price: [●]
35. Index Linked Interest Provisions: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Basket of Indices: [●]  
[The [●] Index is a [Component Security]/[Multi-Exchange] Index.]<sup>9</sup>  
[The [●] Index is a Custom Index.]<sup>10</sup>  
[The [●] Index is a Connected Third Party Index.]<sup>11</sup>
- (ii) Index Currency: *[specify]*  
(iii) Screen Page: [●]  
(iv) Interest Valuation Date(s): *[specify]*  
(v) Specified Maximum Days of [As per Conditions]/*[specify]* Scheduled Trading Days Disruption:

<sup>9</sup> Specify each Component Security Index and/or Multi-Exchange Index (if any).

<sup>10</sup> Specify each Custom Index (if any).

<sup>11</sup> Specify each Connected Third Party Index (if any).

- (vi) Exchange Business Day: [(All Indices Basis)/(Per Index Basis)/(Single Index Basis)]  
(*standard election is All Indices Basis*)
- (vii) Scheduled Trading Day: [(All Indices Basis)/(Per Index Basis)/(Single Index Basis)]  
(*must match election made for Exchange Business Day*)
- (viii) Exchange(s) and Index Sponsor: (a) the relevant Exchange[s] [is/are] [●]; and  
(b) the relevant Index Sponsor is [●].
- (ix) Related Exchange: [*specify*]/[All Exchanges]
- (x) Settlement Price: [Official opening level]/[Official closing level][price at the Valuation Time]
- (xi) Weighting: [Not applicable/The weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Index Linked Notes]/[*specify*].  
(*N.B. Only applicable in relation to Cash Settled Notes relating to a Basket of Indices*)
- (xii) Valuation Time: [Scheduled Closing Time/Any time [on the relevant Settlement Price Date/during the Observation Period.] [[●], being the time specified on the relevant Settlement Price Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] (*N.B. if no time is specified, the Interest Valuation Time will be the Scheduled Closing Time*)
- (xiii) Index Correction Period: [As per Conditions/*specify*]
- (xiv) Delayed Redemption on the Occurrence of Index Adjustment Event: [Applicable/Not applicable]  
*if applicable:*  
Principal Protected Termination Amount: [Applicable/Not applicable]  
*If Principal Protected Termination Amount is applicable:*  
Protected Amount: [*specify*] per cent. of the Specified Denomination]
- (xv) Additional provisions applicable to Custom Indices: [Applicable/Not applicable]  
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)(Single Custom Index Basis)]
- (b) Scheduled Custom Index [(All Custom Indices Basis)/(Per Custom Index

- Business Day: Basis)/(Single Custom Index Basis]  
(Must match election made for Custom Index Business Day)
- (c) Valuation Time: [As per the Conditions]/[●], being the time specified on the Valuation Date or an Averaging Date or Observation Date as the case may be, for the calculation of the Settlement Price.] *(N.B. if no time is specified, the Interest Valuation Time will be the Scheduled Closing Time)*
- (d) Custom Index Correction Period: [As per Conditions]/[specify]
- (e) Custom Index Disruption Event: [[Specified Maximum Days of Disruption will be equal to: ●]/[As per Conditions]]  
*(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)*
- (f) Delayed Redemption on Occurrence of Custom Index Adjustment Event: [Applicable with a rate of ●] per cent. Per annum/Not applicable]
- (xvi) Additional provisions applicable to Futures Price Valuation: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Rolling Futures Contract Securities: [Yes/No]
- (b) Exchange-traded Contract: [specify]/[If the Index Securities are Rolling Futures Contract Securities: Index Security Condition 9.2 applies]
- (c) Delivery or expiry month: [specify]/[Not applicable]  
*(Not applicable in the case of Index Securities that are Rolling Futures Contract Securities)*
- (d) Period of Exchange-traded Contracts: [specify]/[Not applicable]  
*(Only applicable in case of Index Securities that are Futures Rollover Securities)*
- (e) Futures or Options Exchange: [specify]
- (f) Futures Rollover [Date/Period]: [Not applicable]/[specify]
- 36. Share Linked Interest Provisions** [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Share(s)/Share Company/Basket of Shares/GDR/ADR:  [GDR/ADR applicable]  
[Insert GDR/ADR]<sup>12</sup>
- (ii) Relative Performance Basket: [Not applicable/specify]
- (iii) Share Currency: [specify]
- (iv) ISIN of Share(s): [specify]
- (v) Screen Page/Exchange Code: [specify]
- (vi) Interest Valuation Date(s): [specify]
- (vii) Exchange Business Day: [(All Shares Basis)/(Per Share Basis)/(Single Share Basis)]  
(standard election is All Shares Basis)
- (viii) Scheduled Trading Day: [(All Shares Basis)/(Per Share Basis)/(Single Share Basis)]  
(must match election made for Exchange Business Day)
- (ix) Exchange(s): The relevant Exchange[s] [is/are] .
- (x) Related Exchange(s): [specify/All Exchanges]
- (xi) Settlement Price: [Official closing price]/[Italian Securities Reference Price]/[level at the Valuation Time]
- (xii) Weighting: [Not applicable/The weighting to be applied to each item comprising the Basket of Shares to ascertain the Settlement Price is . Each such Weighting shall be subject to adjustment in the case of Share Linked Notes]/[specify].  
(N.B. Only applicable in relation to Cash Settled Notes relating to a Basket of Shares)
- (xiii) Valuation Time: [Scheduled Closing Time/Any time [on the relevant Settlement Price Date/during the Observation Period.] [The Valuation Time is , being the time specified on the relevant Settlement Price Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]  
(N.B. If no time is specified, the Interest Valuation Time will be the Scheduled Closing Time)
- (xiv) Share Correction Period: [As per Conditions/specify]
- (xv) Market Disruption: Specified Maximum Days of Disruption will be equal to /[eight]:  
  
(If no Specified Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to

<sup>12</sup> Specify each GDR or ADR (if any). In the case of Share Linked Notes relating to a GDR/ADR, complete Share Linked Final Terms as applicable for GDR/ADR reference asset(s).

*eight*)

- (xvi) Tender Offer: [Applicable/Not applicable]
- (xvii) Listing Change: [Applicable/Not applicable]
- (xviii) Listing Suspension: [Applicable/Not applicable]
- (xix) Illiquidity: [Applicable/Not applicable]
- (xx) Delayed Redemption on the Occurrence of an Extraordinary Event: [Applicable/Not applicable]

*if applicable:*

Principal Protected Termination Amount: [Applicable/Not applicable]

*If Principal Protected Termination Amount is applicable:*  
Protected Amount: [specify] per cent. of the Specified Denomination]]

- 37. Inflation Linked Interest Provisions: [Applicable/Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph) (If more than one Inflation Rate is to be determined, repeat items (i) to (ix) for each such Inflation Rate and, if FI Digital Coupon is applicable, distinguish between the Inflation Rate which is FI Rate A and the Inflation Rate which is FI Rate B)*

- (i) Index: [●]  
[Composite/non Composite]
- (ii) Screen Page/Exchange Code: [●]
- (iii) Cut-Off Date: [●]/[Not applicable]
- (iv) Related Bond: [●]/Fall Back Bond
- (v) Issuer of Related Bond: [●]/[Not applicable]
- (vi) Fall Back Bond: [Applicable/Not applicable]
- (vii) Index Sponsor: [●]
- (viii) Related Bond Redemption Event: [Applicable/Not applicable]
- (ix) Interest Valuation Date: [●]

- 38. Commodity Linked Interest Provisions: [Applicable/Not applicable]

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

- (i) Commodity/Commodities/Commodity [●]

Index/ Commodity Indices:

[The Sponsor[s] of the Commodity Index/Indices is/are  
[●]]

(ii) Pricing Date(s): [●]

(iii) Initial Pricing Date: [specify]

(iv) Final Pricing Date: [specify]

(v) Commodity Reference Price: [●]

The Price Source is/are [●]

(vi) Delivery Date: [●] / [Not applicable]

(vii) Nearby Month: [●]/ [Not applicable]

(viii) Specified Price: [specify]

(ix) Exchange(s): The relevant Exchange[s] [is/are] [●] / [Not applicable].

(x) Specified Maximum Days of Disruption: [●]/[As per Conditions]

*(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to five) (applicable only to Price Source Disruption or Trading Disruption)*

(xi) Disruption Fallback(s): [As per Commodity Security Condition1]/[Not applicable]

(xii) Weighting: The Weighting to be applied to each item comprising the Commodity Basket is [●]

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

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

(a) Futures Rollover [Not applicable]/[specify]  
[Date/Period]:

**39.** Fund Linked Interest Provisions: [Applicable/Not applicable]

(i) Fund/Fund Basket: [●]

[The [●] Fund is a Mutual Fund]

[The [●] Fund is a Hedge Fund]

[The [●] Fund is a Private Equity Fund]

(ii) Fund Shares: [●]

- (iii) Fund Documents: [As per the Conditions][●]
  - (iv) Fund Business Day: [All Fund Share Basis]/[Per Fund Share Basis]/[Single Fund Share Basis]
  - (v) Fund Service Provider: [As per Conditions]/[●]
  - (vi) Calculation Date(s): [As per Conditions]/[●]
  - (vii) Initial Calculation Date: [As per Conditions]/[●]
  - (viii) Final Calculation Date: [●]
  - (ix) Hedging Date: [●]
  - (x) NAV Trigger Percentage: [As per Conditions]/[●]
  - (xi) NAV Trigger Period: [As per Conditions]/[●]
  - (xii) Number of NAV Publication Days: [As per Conditions]/[●]
  - (xiii) AUM Level: [As per Conditions]/[specify]
  - (xiv) Basket Trigger Level: [●]/[As per Conditions]
  - (xv) Interest Valuation Date: [●]
  - (xvi) Termination Amounts: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[specify]/[Not applicable]
  - (xvii) Simple Interest Spread: [As per Conditions]/[specify]
  - (xviii) Termination Date: [●]
  - (xix) Weighting: The Weighting to be applied to each Fund Share comprising the Fund Basket is [●]
  - (xx) [Protected Amount] *[If Delayed Redemption on Occurrence of an Extraordinary Fund Event and Principal Protected Termination Amount are applicable: [specify] per cent. of the Specified Denomination]*
  - (xxi) Delayed Redemption on Occurrence of an Extraordinary Fund Event: [Applicable/Not applicable]
  - (xxii) Delayed Payment Cut-Off Date: [As per Conditions]/[specify]
- 40.** ETI Linked Interest Provisions: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) ETI/ETI Basket: [●]
  - (ii) ETI Interest(s): *[Insert type of ETI Interest(s)]*

(iii)	ETI Related Party:	[As per Conditions]/[specify]
(iv)	Exchange(s):	[The relevant Exchange[s] [is/are] <input type="checkbox"/> /Not applicable]
(v)	Related Exchange:	[specify]/[All Exchanges]/[Not applicable]
(vi)	Exchange Business Day:	[All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
(vii)	Scheduled Trading Day:	[All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
(viii)	Calculation Date(s):	[As per Conditions]/[specify]
(ix)	Initial Calculation Date:	[As per Conditions]/[specify]
(x)	Final Calculation Date:	[specify]
(xi)	Hedging Date:	[specify]
(xii)	Investment/AUM Level:	[As per Conditions][specify]
(xiii)	Value per ETI Interest Trading Price Barrier:	[As per Conditions]/[specify]
(xiv)	Number of Value Publication Days:	<input type="checkbox"/> calendar days <input type="checkbox"/> Business Days (as defined in Condition 3.13)]  [Additional Financial Centre: [specify]]  <i>(N.B. Only applicable if Number of Value Publication Days is calculated by reference to Business Days)</i>
(xv)	NAV Trigger Percentage:	[As per Conditions]/[specify]
(xvi)	NAV Trigger Period:	[As per Conditions]/[specify]
(xvii)	Basket Trigger Level:	[As per Conditions]/[specify]
(xviii)	Settlement Price:	[Official closing price]/[NAV per ETI Interest]
(xix)	Valuation Time:	[specify]
(xx)	Interest Valuation Time:	[specify]
(xxi)	Interest Valuation Date:	[specify]
(xxii)	Additional Extraordinary ETI Event(s):	[specify]
(xxiii)	Maximum Stock Loan Rate:	[Maximum Stock Loan Rate in respect of [specify in relation to each relevant ETI Interest] is <input type="checkbox"/> .
(xxiv)	ETI Interest Correction Period:	[specify]
(xxv)	Termination Amount:	[Principal Protected Termination Amount]/[Non-Principal

	Protected Termination Amount]/[specify]
(xxvi) Simple Interest Spread:	[As per Conditions]/[specify]
(xxvii) Termination Date:	[specify]
(xxviii) Market Disruption:	Specified Maximum Days of Disruption will be equal to [●][eight (8)] Scheduled Trading Days
(xxix) Weighting:	The Weighting to be applied to each ETI Interest comprising the ETI Basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of ETI Linked Notes] [specify] (N.B. Only applicable in relation to Cash Settled Notes relating to an ETI Basket)
(xxx) ETI Documents:	[As per Conditions]/[specify]
(xxxi) Protected Amount	[Not applicable]/[specify] per cent. of the Specified Denomination]
(xxxii) Delayed Redemption on the Occurrence of an Extraordinary ETI Event:	[Applicable/Not applicable]
<b>41.</b> Foreign Exchange (FX) Rate Linked Interest Provisions:	[Applicable/Not applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) The relevant base currency (the " <b>Base Currency</b> ") is:	[specify]
(ii) The relevant subject [currency/currencies] ([each a]/[the " <b>Subject Currency</b> ") [is/are]:	[specify]
(iii) Weighting:	[specify]
(iv) Price Source:	[specify]
(v) Disruption Event:	Specified Maximum Days of Disruption will be equal to [●]/[five] <i>(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to five)</i>
(vi) Delayed Redemption on Occurrence of a Disruption Event:	[Applicable/Not applicable] <i>[if applicable:</i>  Principal Protected Termination Amount: [Applicable/Not applicable]

*[If Principal Protected Termination Amount is applicable:  
Protected Amount: [specify] per cent. of the Specified  
Denomination]]*

(vii) Relevant Screen Page: [specify]

(viii) Valuation Time: [specify]

(ix) Interest Valuation Date: [●]

[Currency Convention: [As per Conditions]/[Preceding  
Currency Convention]/[Modified Following Currency  
Convention]]

42. Underlying Interest Rate Linked Interest Provisions: [Applicable/Not applicable]

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

*(If applicable, identify each Underlying Interest Rate<sub>(i)</sub>  
which is a Multiple Underlying Component Rate)*

(i) Underlying Interest Determination Date(s): [specify]

*(If more than one [Underlying Interest Rate] is to be  
determined, include the following language: "Underlying  
Interest Rate<sub>i</sub>:")*

(ii) Manner in which the Underlying Interest Rate is to be determined: [Screen Rate Determination/ISDA Determination]

(iii) Screen Rate Determination:

• Underlying Reference Rate: [specify]

*(Either LIBOR, EURIBOR or other)*

• Specified Time: [specify]

*(which will be 11:00 am, London time, in the case of  
LIBOR, or 11:00 am, Brussels time, in the case of  
EURIBOR)*

• Relevant Screen Page: [specify]

*(In the case of EURIBOR, if not Reuters EURIBOR01  
ensure it is a page which shows a composite rate or amend  
the fallback provisions appropriately)*

(iv) ISDA Determination:

• Floating Rate Option: [specify]

• Designated Maturity: [specify]

- Reset Date: [specify]
- (v) Underlying Margin(s): [+/-][●] per cent. Per annum
- (vi) Minimum Underlying Reference Rate: [●] per cent. Per annum
- (vii) Maximum Underlying Reference Rate: [●] per cent. Per annum

*(If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate<sub>2</sub>:" and repeat items (ii) to (vii).*

*Repeat for each Underlying Interest Rate.)*

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

(a) Debt Instruments: [specify]

*(Not applicable if Futures Price Valuation applicable)*

(b) Nominal Amount: [The relevant nominal amount is [●] and the Relevant Screen Page is [●].][Not applicable]

*(Not applicable if Futures Price Valuation applicable)*

(c) Reference Price: [The Reference Price[s] for [insert relevant Debt Instrument(s)] is/are the [bid price]/[mid price]/[offer price]/[bid yield]/[mid yield]/[offer yield].] [Not applicable]

*(Not applicable if Futures Price Valuation applicable)*

(d) Exchange Business Day Centre(s): [specify]

(e) Valuation Time: [specify]

(f) Interest Valuation Date: [specify]

(g) Specified Maximum Days of Disruption: [As defined in Condition 13]/[specify] Scheduled Trading Days.]

*(Not applicable if Futures Price Valuation applicable)*

(h) Delayed Redemption on Occurrence of Debt Instrument Redemption Event: [Applicable/Not applicable]

*[If applicable:*

Principal Protected Termination Amount: [Applicable/Not applicable]

*[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Specified Denomination]]*

*(Not applicable if Futures Price Valuation applicable)*

- (i) Debt Instrument Issuer: [ ]/[Not applicable]  
*(Not applicable if Futures Price Valuation applicable)*
- (j) Debt Instrument Correction Period: [As per the Conditions]/[ ]/[Not applicable]  
*(Not applicable if Futures Price Valuation applicable)*
- (k) Weighting: [Not applicable/The weighting to be applied to each item comprising the Basket of Debt Instruments to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment.]
- (l) Additional provisions applicable to Futures Price Valuation: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rolling Futures Contract Securities: [Yes/No]
- (ii) Exchange-traded Contract: [Specify]/[If the Debt Securities are Rolling Futures Contract Securities: Debt Security Condition 7 applies]
- (iii) Synthetic Debt Instrument: [include description of the key terms of the synthetic debt instrument]
- (iv) Delivery or expiry month: [Specify]/[Not applicable]  
*(Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities)*
- (v) Period of Exchange-traded Contracts: [Specify]/[Not applicable]  
*(Only applicable in the case of Debt Securities that are Rolling Futures Contract Securities)*
- (vi) Futures or Options Exchange: [Specify]
- (vii) Futures Rollover [Date/Period]: [Not applicable]/[Specify]
- (viii) Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract: [Applicable/Not applicable]  
*[If applicable:*  
Principal Protected Termination Amount: [Applicable/Not applicable]  
*[If Principal Protected Termination Amount is applicable:*  
Protected Amount: [specify] per cent. of the Specified Denomination]]
- (ix) Daily Settlement Price Correction Period: [As per the Conditions][Specify]

44. Additional Business Centre(s) (Condition 3.13): [●]

#### PROVISIONS RELATING TO REDEMPTION

45. Final Redemption Amount: [Calculation Amount x [●] per cent]/[Final Payout][As per the Credit Security Conditions and paragraph 56 (Credit Linked Notes) below]

46. Final Payout: [Not applicable]

[SPS Payouts

##### **[SPS Fixed Percentage Securities**

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

##### **[SPS Reverse Convertible Securities**

[SPS Reverse Convertible Securities:

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

[SPS Reverse Convertible Standard Securities:

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

##### **[SPS Vanilla Products**

[Vanilla Call Securities:

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

[Vanilla Call Spread Securities:

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

[Vanilla Put Securities:

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

[Vanilla Put Spread Securities:

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

[Vanilla Digital Securities:

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

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

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

##### **[Asian Products**

[Asian Securities:

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

[Asian Spread Securities:

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

[Himalaya Securities:

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

#### **[Auto-Callable Products**

[Autocall Securities:

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

[Autocall Standard Securities:

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

[Autocall One Touch Securities:

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

#### **[Indexation Products**

[Certi Plus: Booster Securities:

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

[Certi Plus: Bonus Securities:

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

[Certi Plus: Leveraged Securities:

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

[Certi Plus: Twin Win Securities:

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

[Certi Plus: Super Sprinter Securities:

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

[Certi Plus: Generic Securities:

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

[Certi Plus: Generic Knock-in Securities:

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

[Certi Plus: Generic Knock-out Securities:  
*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]*]

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

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

[Option Max Securities:  
*[Insert formula and related provisions from Payout Conditions.]*]

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

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

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

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

[FI Payouts

[FI FX Vanilla Securities:  
*[Insert formula and related provisions from Payout Conditions.]*]

[FI Digital Floor Securities:  
*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]*]

[FI Digital Cap Securities:  
*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]*]

[FI Digital Plus Securities:  
*[Insert formula, relevant value(s) and other related provisions from Payout Conditions.]*]

[FI Inflation Securities:  
*[Insert formula and related provisions from Payout Conditions.]*]

**47.** Automatic Early Redemption<sup>13</sup>:

[Applicable/Not applicable]

(i) Automatic Early Redemption Event:

[Target Automatic Early Redemption] [FI Underlying

---

<sup>13</sup> Only applicable in relation to Index Securities, Share Securities, ETI Securities, Commodity Securities, Currency Securities, Futures Securities and, in the case of FI Underlying Automatic Early Redemption, Currency Securities and Underlying Interest Rate Securities.

Automatic Early Redemption] [FI Coupon Automatic Early Redemption] [Standard Automatic Early Redemption [– Automatic Early Redemption Event 1]: "greater than"/"greater than or equal to"/"less than"/"less than or equal to"] [Standard Automatic Early Redemption – Automatic Early Redemption Event 2 Applicable: "greater than"/"greater than or equal to"/"less than"/"less than or equal to"]

[Automatic Early Redemption Event 1 [and]/[or] Automatic Early Redemption Event 2]

- (ii) Automatic Early Redemption Valuation Time: *[specify]*
- (iii) Automatic Early Redemption Payout: [SPS Automatic Early Redemption Payout: *[Insert formula, relevant value(s) and related provisions from Payout Conditions.]*  
 [Target Automatic Early Redemption: *[Insert relevant provisions from Conditions.]*  
 [FI Underlying Automatic Early Redemption: *[Insert relevant provisions from Conditions.]*  
 Accrual to Automatic Early Redemption: [Applicable/Not applicable] *[Insert relevant provisions from Conditions.]*  
 [FI Coupon Automatic Early Redemption: *[Insert relevant provisions from Conditions.]*
- (iv) Automatic Early Redemption Date(s): *[specify]*
- (v) [(A) Automatic Early Redemption Level [1]: *[specify]*  
 [(B) Automatic Early Redemption Level 2: *[specify]*
- (vi) Automatic Early Redemption Percentage: [[●] per cent.]/[Not applicable]
- (vii) AER Rate: *[Insert relevant provisions from Conditions]*/[Not applicable]
- (viii) AER Exit Rate: [Not applicable]  
 [AER Rate *[Insert relevant provisions from Conditions]*  
 [AER Athena up Rate *[Insert formula, relevant value(s) and related provisions from Payout Conditions]*

- [AER CSN Rate  
*[Insert relevant provisions from Conditions]*]
- (ix) Automatic Early Redemption Valuation Date(s)/Period(s): [specify]  
 [AER 1 Redemption Valuation [Date(s)/Period(s)]:  
 [specify]  
 [AER 2 Redemption Valuation [Date(s)/Period(s)]:  
 [specify]  
*[For Fixed Income payouts, consider whether this is the interest determination date (i.e. 2 business days prior to the Automatic Early Redemption Date)]*
- (x) Observation Price Source: [specify]/[Not applicable]
- (xi) Underlying Reference Level [1]: [Official level]/[Official close]/[last price]/[Bid price]/[Asked price]/Standard Underlying Reference Level/[Not applicable]
- (xii) Underlying Reference Level 2: [Standard Underlying Reference Level]/[Not applicable]
- (xiii) SPS AER Valuation: [Not applicable]/[Applicable:  
 SPS AER Value 1:  
*[Insert relevant value(s) and related provisions from Payout Conditions]*  
 SPS AER Value 2:  
*[Insert relevant value(s) and related provisions from Payout Conditions]*
- (xiv) AER Event 1 Underlying(s): [See item [●] below]/[Not applicable]
- (xv) AER Event 2 Underlying(s): [See item [●] below]/[Not applicable]
- (xvi) AER Event 1 Basket: [Applicable]/[Not applicable]
- (xvii) AER Event 2 Basket: [Applicable]/[Not applicable]
- 48.** Issuer Call Option: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Valuation Date(s): [●]
- (iii) Optional Redemption Amount(s): [Calculation Amount x [●] per cent.]

[SPS Call Payout

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

(iv) If redeemable in part:

(a) Minimum Redemption Amount:

(b) Higher Redemption Amount:

(v) Minimum Notice Period:

(vi) Maximum Notice Period:  *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

**49.** Noteholder Put Option:

[Applicable/Not applicable]

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

(i) Optional Redemption Date(s):

(ii) Optional Redemption Valuation Date(s):

(iii) Optional Redemption Amount(s): [Calculation Amount x  per cent.]

[SPS Put Payout:

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

(iv) Minimum Notice Period:

(v) Maximum Notice Period:  *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

**50.** Aggregation:

[Applicable/Not applicable]

**51.** Index Linked Redemption Amount:

[Applicable/Not applicable]

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

- (i) Index/Basket of Indices: [●]  
 [The [●] Index is a [Component Security]/[Multi-Exchange] Index.]<sup>14</sup>  
 [The [●] Index is a Custom Index]<sup>15</sup>  
 [The [●] Index is a Connected Third Party Index.]<sup>16</sup>
- (ii) Index Currency: [specify]
- (iii) Screen Page: [specify]
- (iv) Redemption Valuation Date: [●]
- (v) Exchange Business Day: [(All Indices Basis)/(Per Index Basis)/(Single Index Basis)]  
*(standard election is All Indices Basis)*
- (vi) Scheduled Trading Day: [(All Indices Basis)/(Per Index Basis)/(Single Index Basis)]  
*(must match election made for Exchange Business Day)*
- (vii) Exchange(s) and Index Sponsor: (A) the relevant Exchange[s] [is/are] [●]; and  
 (B) the relevant Index Sponsor is [●].
- (viii) Related Exchange: [specify]/All Exchanges]
- (ix) Settlement Price: [Official opening level]/[Official closing level]/[level at the Valuation Time]
- (x) Weighting: [Not applicable/The Weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Index Linked Notes]/[specify].  
*(N.B. Only applicable in relation to Cash Settled Notes relating to a Basket of Indices)*
- (xi) Valuation Time: [Scheduled Closing Time]/[Any time [on the relevant Settlement Price Date /during the Observation Period.] [[●], being the time specified on the relevant Settlement Price Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] *(N.B. If no time specified, the Valuation Time will be the Scheduled Closing Time) (N.B. Only applicable to Indices other than Custom Indices)*  
 [As per the Conditions]/[●] being the time specified on the Valuation Date or an Averaging Date or Observation Date as the case may be, for the calculation of the Settlement

<sup>14</sup> Specify each Component Security Index and/or Multi-Exchange Index (if any).

<sup>15</sup> Specify each Custom Index (if any).

<sup>16</sup> Specify each Connected Third Party Index (if any).

Price.] (N.B. If no time specified, the Valuation Time will be as per the Conditions) (N.B. Only applicable to Custom Indices)

- (xii) Index Correction Period: [As per Conditions/[specify]]
- (xiii) Specified Maximum Days of Disruption: [As per Conditions]/[Specified Maximum Days of Disruption will be equal to [specify] Scheduled Trading Days]:  
  
(Unless otherwise stated, Specified Maximum Days of Disruption will be equal to eight as per the Conditions)
- (xiv) Delayed Redemption on the Occurrence of Index Adjustment Event: [Applicable/Not applicable]  
  
[if applicable:  
  
Principal Protected Termination Amount: [Applicable/Not applicable]  
  
[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Specified Denomination]]
- (xv) Additional provisions applicable to Custom Indices: [Applicable/Not applicable]  
  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)]
- (b) Scheduled Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)/(Single Custom Index Basis)]  
  
(Must match election made for Custom Index Business Day)
- (c) Custom Index Correction Period: [As per Conditions]/[specify]
- (d) Custom Index Disruption Event: [[Specified Maximum Days of Disruption will be equal to: [●]]/[As per Conditions]]  
  
(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)
- (e) Delayed Redemption on the Occurrence of Custom Index Adjustment Event: [Applicable with a rate of [●] per cent. per annum /Not applicable]
- (xvi) Additional provisions applicable to Futures Price Valuation: [Applicable/Not applicable]

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

- (a) Rolling Futures Contract Securities: [Yes/No]
- (b) Exchange-traded Contract: *[specify]/[If the Index Securities are Rolling Futures Contract Securities: Index Security Condition 9.2 applies]*
- (c) Delivery or expiry month: *[specify]/[Not applicable]*
- (Not applicable in the case of Index Securities that are Rolling Futures Contract Securities)*
- (d) Period of Exchange-traded Contracts: *[specify]/[Not applicable]*
- (Only applicable in case of Index Securities that are Futures Rollover Securities)*
- (e) Futures or Options Exchange: *[specify]*
- (f) Futures Rollover [Date/Period]: [Not applicable]/*[specify]*

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

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

- (i) Share(s)/Share Company/Basket Company/GDR/ADR: [●]  
[GDR/ADR applicable]  
[Insert GDR/ADR]<sup>17</sup>
- (ii) Relative Performance Basket: [Not applicable/specify]
- (iii) Share Currency: *[specify]*
- (iv) ISIN of Share(s): *[specify]*
- (v) Screen Page/Exchange Code: *[specify]*
- (vi) Redemption Valuation Date: [●]
- (vii) Exchange Business Day: [(All Shares Basis)/(Per Share Basis)/(Single Share Basis)]  
*(standard election is All Shares Basis)*
- (viii) Scheduled Trading Day: [(All Shares Basis)/(Per Share Basis)/(Single Share Basis)]  
*(must match election made for Exchange Business Day)*
- (ix) Exchange(s): The relevant Exchange[s] [is/are] [●].

<sup>17</sup> Specify each GDR or ADR (if any). In the case of Share Linked Notes relating to a GDR/ADR, complete Share Linked Final Terms as applicable for GDR/ADR reference asset(s).

- (x) Related Exchange(s): [specify/All Exchanges]
- (xi) Settlement Price: [Official closing price]/[Italian Securities Reference Price]/[price at the Valuation Time]
- (xii) Weighting: [Not applicable/The Weighting to be applied to each item comprising the Basket of Shares to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in the case of Share Linked Notes]/[specify].  
*(N.B. Only applicable in relation to Cash Settled Notes relating to a Basket of Shares)*
- (xiii) Valuation Time: [Scheduled Closing Time/Any time [on the relevant Settlement Price Date] / [during the Observation Period].]  
[The Valuation Time is [●], being the time specified on the relevant Settlement Price Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]  
*(N.B. if no time specified, the Valuation Time will be the Scheduled Closing Time).*
- (xiv) Share Correction Period: [As per Conditions/specify]
- (xv) Market Disruption: Specified Maximum Days of Disruption will be equal to [●]/[eight]  
  
*(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)*
- (xvi) [Tender Offer: [Applicable/Not applicable]]
- (xvii) Delayed Redemption on the Occurrence of an Extraordinary Event: [Applicable/Not applicable]  
*[if applicable:*  
  
Principal Protected Termination Amount: [Applicable/Not applicable]  
  
*[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Specified Denomination]]*
- (xviii) Listing Change: [Applicable/Not applicable]
- (xix) Listing Suspension: [Applicable/Not applicable]
- (xx) Illiquidity: [Applicable/Not applicable]
- (xxi) CSR Event: [Applicable/Not applicable]
- 53.** Inflation Linked Redemption Amount: [Applicable/Not applicable]
- (i) Index/Indices: [●]

- [Composite/non Composite]
- (ii) Cut-Off Date: [●]/[Not applicable]
- (iii) Related Bond: [●]/Fall Back Bond
- (iv) Issuer of Related Bond: [●]/[Not applicable]
- (v) Fall Back Bond: [Applicable/Not applicable]
- (vi) Index Sponsor: [●]
- (vii) Related Bond Redemption Event: [Applicable/Not applicable]
- (viii) Valuation Date: [●]
54. Commodity Linked Redemption Amount: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Commodity/Commodities/Commodity Index/Commodity Indices: [●]  
[The Sponsor[s] of the Commodity Index/Indices is/are [●]]
- (ii) Pricing Date(s): [●]
- (iii) Initial Pricing Date: [specify]
- (iv) Final Pricing Date: [specify]
- (v) Commodity Reference Price: [●]  
The Price Source is/are: [●]
- (vi) Delivery Date: [●] / [Not applicable]
- (vii) Nearby Month: [●] / [Not applicable]
- (viii) Specified Price: [specify]
- (ix) Exchange(s): the relevant Exchange[s] [is/are] [●] / [Not applicable]
- (x) Specified Maximum Days of Disruption: [●]/[five]  
*(If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to five)*
- (xi) Disruption Fallback(s): [As per Commodity Security Condition 1]/[Not applicable]
- (xii) Weighting: The Weighting to be applied to each item comprising the Commodity Basket is [●]
- (xiii) Rolling Futures Contract Securities: [Yes/No]

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

- |            |                                 |          |   |
|------------|---------------------------------|----------|---|
| (a)        | Futures<br>[Date/Period]:       | Rollover | [Not applicable]/[specify]  |
| <b>55.</b> | Fund Linked Redemption Amount:  |          | [Applicable/Not applicable]   |
| (i)        | Fund/Fund Basket:               |          | [●]<br><br>[The [●] Fund is a Mutual Fund]<br><br>[The [●] Fund is a Hedge Fund]<br><br>[The [●] Fund is a Private Equity Fund] |
| (ii)       | Fund Share(s):                  |          | [●]   |
| (iii)      | Fund Documents:                 |          | [As per Conditions]/[●]   |
| (iv)       | Fund Business Day:              |          | [All Fund Share Basis]/[Per Fund Share Basis]/[Single Fund Share Basis]   |
| (v)        | Fund Service Provider:          |          | [As per Conditions]/[●]   |
| (vi)       | Calculation Date(s):            |          | [As per Conditions]/[●]   |
| (vii)      | Initial Calculation Date:       |          | [●]/[Not applicable]  |
| (viii)     | Final Calculation Date:         |          | [●]/[Not applicable]  |
| (ix)       | Redemption Valuation Date:      |          | [specify]   |
| (x)        | Hedging Date:                   |          | [●]/[Not applicable]  |
| (xi)       | AUM Level                       |          | [specify]/[Not applicable]  |
| (xii)      | NAV Trigger Percentage:         |          | [As per Conditions]/[●]   |
| (xiii)     | NAV Trigger Period:             |          | [●]   |
| (xiv)      | Number of NAV Publication Days: |          | [●]   |
| (xv)       | Basket Trigger Level:           |          | [●]/[As per Conditions]   |
| (xvi)      | Termination Amounts:            |          | [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[specify]                                 |
| (xvii)     | Simple Interest Spread:         |          | [specify]/[As per Conditions]   |
| (xviii)    | Termination Date:               |          | [specify]   |
| (xix)      | Weighting:                      |          | The Weighting to be applied to each Fund Share comprises the Fund Basket is [●]   |
| (xx)       | [Protected Amount:              |          | [If Delayed Redemption on the Occurrence of an  |

*Extraordinary Fund Event and Principal Protected Termination Amount are applicable: [specify] per cent. of the Specified Denomination]*

(xxi) Delayed Redemption on the Occurrence of an Extraordinary Fund Event: [Applicable/Not applicable]

(xxii) [Delayed Payment Cut-Off Date: [specify]]

56. Credit Linked Redemption Amount: [Applicable/Not applicable]

General Terms relating to type of Credit Security

(i) Type of Credit Securities [Single Reference Entity Credit Security]

[Nth-to-Default Credit Security

N: [●]

[Multiple Default Triggers: [Applicable/Not applicable]

[M: [●]]

Substitution: [Not applicable] [Applicable]

[Basket Credit Security]

[Tranched Credit Securities]

[Combination Credit Securities: Applicable/Not Applicable]

*(If Combination Credit Securities is applicable)*

[Credit-linked Interest Type: [Single Reference Entity Credit Security] [Nth-to-Default Credit Security N:[●]

[Multiple Default Triggers: [Applicable/Not applicable]]

[M:[●]] [Substitution: [Not Applicable] [Applicable]]

[Basket Credit Security] [Tranched Credit Security]

[Credit-linked Principal Type: [Single Reference Entity Credit Security] [Nth-to-Default Credit Security N:[●]

[Multiple Default Triggers: [Applicable/Not applicable]]

[M:[●]] [Substitution: [Not Applicable] [Applicable]]

[Basket Credit Security] [Tranched Credit Security]

(ii) Calculation Agent responsible for making calculation and determinations pursuant to Annex 12 – Additional Terms and Conditions for Credit Securities): [●]

Terms relating to Credit-linkage

*[(Insert for Combination Credit Securities only):* Terms relating to Credit Linked Principal:]

- (i) Transaction Type:  [As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms]  [As specified in the Relevant Annex]]
- (ii) Scheduled Maturity Date
- (iii) Reference Entity(ies):  [As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms]  [As specified in the Relevant Annex]
- (iv) Reference Entity Notional Amount  [as per the Credit Security Conditions]  [As specified in Annex  (*Annex for Credit Securities*) to the Final Terms]  [As specified in the Relevant Annex]
- (v) Reference Entity Weighting:  [As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms]  [As specified in the Relevant Annex]  [Not applicable]
- (vi) Reference Obligation(s):
- The obligation identified as follows:  [Applicable/Not applicable/ [As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms]  [As specified in the Relevant Annex]
- Primary Obligor:
- Guarantor:
- Maturity:
- Coupon:
- CUSIP/ISIN:
- Seniority Level:  [Senior Level]  [Subordinated Level]  [Not Applicable]
- Original Issue Amount:
- [The obligation specified as the Reference Obligation above shall be the Original Non-Standard Reference Obligation notwithstanding that such obligation is not an obligation of the Reference Entity, and notwithstanding any contrary provision of the definition of "Original Non-Standard Reference Obligation" (and, for the avoidance of doubt, paragraph (a) of the definition thereof applies).] *[Delete if not applicable or if Reference Obligation above is an obligation of the Reference Entity]*
- Default Requirement:  / As per the Credit Security Conditions]
- Standard Reference Obligation:  [Applicable/Not applicable/ [As specified in Annex 12 (*Annex for Credit Securities*) to the Final Terms] As

	specified in the [Relevant Annex]
CoCo Supplement	[Applicable/Not Applicable]
	<i>[Delete if CoCo Supplement is not applicable]</i>
	[Trigger Percentage: [●] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex] [As per the Credit Security Conditions]]
(vii) Settlement Method:	[Auction Settlement] [Cash Settlement] [: Final Price: [●] [Credit Security Condition 2(b) Not Applicable]] [Physical Settlement]
	[Credit Unwind Costs: [Not applicable] [Standard Credit Unwind Costs: Applicable] [●]] <i>[Delete if Credit Unwind Costs are applicable]</i>
(viii) Fallback Settlement Method	[Cash Settlement] [Physical Settlement][Not Applicable]
(ix) Settlement at Maturity:	[Applicable] [Not applicable]
(x) Settlement Currency	[●]
(xi) Merger Event:	[Credit Security Condition 2(d) [Applicable/Not applicable]]
	<i>(If Applicable):</i>
	[Merger Event Redemption Date: [●]]
(xii) Credit Event Backstop Date	[The date that is 60 calendar days prior to the Trade Date] [Issue Date] [Other]
	<i>(Include only for Tranched Credit Securities)</i>
(xiii) Additional terms relating to Tranched Credit Securities:	[Applicable/Not applicable]
	Relevant Annex: [●]
	Index Sponsor: [●]
	Attachment Point: [●]
	Exhaustion Point: [●]
	Any other terms or provisions: [●]
	<i>[(Insert for Combination Credit Securities only): Terms relating to Credit Linked Interest:]</i>
(i) Transaction Type:	[●] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
(ii) Scheduled Maturity Date	[●]

(iii)	Reference Entity(ies):	[●] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
(iv)	Reference Entity Notional Amount	[●][as per the Credit Security Conditions] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
(v)	Reference Entity Weighting:	[●][As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex] [Not Applicable]
(vi)	Reference Obligation(s):	[Applicable/Not Applicable/[●] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
	The obligation identified as follows:	[Applicable/Not Applicable/[●] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
	Primary Obligor:	[●]
	Guarantor:	[●]
	Maturity:	[●]
	Coupon:	[●]
	CUSIP/ISIN:	[●]
	Seniority Level:	[Senior Level] [Subordinated Level] [●] [Not Applicable]
	Original Issue Amount:	[●]
		[The obligation specified as the Reference Obligation above shall be the Original Non-Standard Reference Obligation notwithstanding that such obligation is not an obligation of the Reference Entity, and notwithstanding any contrary provision of the definition of "Original Non-Standard Reference Obligation" (and, for the avoidance of doubt, paragraph (a) of the definition thereof applies).] [ <i>Delete if not applicable or if Reference Obligation above is an obligation of the Reference Entity</i> ]
	Default Requirement:	[[●] / As per the Credit Security Conditions]
	Standard Reference Obligation:	[Applicable/Not Applicable/[●]/[As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex]
	CoCo Supplement	[Applicable/Not Applicable]  [ <i>Delete if CoCo Supplement is not applicable</i> ]  [Trigger Percentage: [●] [As specified in Annex 12 ( <i>Annex for Credit Securities</i> ) to the Final Terms] [As specified in the Relevant Annex] [As per the Credit Security

	Conditions]]
(vii) Settlement Method:	[Auction Settlement] [Cash Settlement [: Final Price: [●] [Credit Security Condition 2(b) Not Applicable]] [Physical Settlement]  [Unwind Costs: [Not Applicable] [Standard Credit Unwind Costs: Applicable] [●]] [ <i>Delete if Unwind Costs are applicable</i> ]
(viii) Fallback Settlement Method	[Cash Settlement] [Physical Settlement][Not Applicable]
(ix) Settlement Currency	[●]
(x) Merger Event:	[Credit Security Condition 2(d) [Applicable/Not Applicable]]  <i>(If Applicable):</i>  [Merger Event Redemption Date: [●]]
(xi) Credit Event Backstop Date	[As per the Credit Security Conditions] [The date that is 60 calendar days prior to the Trade Date] [Issue Date] [Other]
<i>(Include only for Tranched Credit Securities)</i>	
Additional terms relating to Tranched Credit Securities:	[Applicable/Not Applicable]  Relevant Annex: [●]  Index Sponsor: [●]  Attachment Point: [●]  Exhaustion Point: [●]  Any other terms or provisions: [●]]
General Terms relating to Credit Securities	
(i) LPN Reference Entities	[Applicable/Not Applicable/[●]/[As specified in the [[Annex 12 ( <i>Annex for Credit Securities</i> )] to the Final Terms] [Relevant Annex in respect of the relevant Reference Portfolio]]
(ii) Accrual of Interest upon Credit Event:	[As per Credit Security Condition 3(a)(i)(A)] [As per Credit Security Condition 3(a)(i)(B)] [As per Credit Security Condition 3(a)(ii)]  <i>[OR if Part B of Credit Security Conditions applies:</i>  [Part B of Credit Security Conditions: As per Part B Credit Security Condition [3(a)(i)] / [3(a)(ii)]]
(iii) Additional Credit Linked Security Disruption Events:	[The following Additional Credit Linked Security Disruption Events apply to the Notes:] [Not Applicable]

(Specify each of the following which applies.)

[Change in Law]

[Hedging Disruption]

[Increased Cost of Hedging]

(iv) Additional Provisions:

[Change in Standard Terms and Market Conventions: [Not Applicable]] [Delete if Change in Standard Terms and Market Conventions applies]]

[In respect of [specify relevant Reference Entity], [Include Accrued Interest] [Exclude Accrued Interest] applicable]

(v) Calculation and Settlement  
Suspension:

[Applicable] [Not Applicable]

(Include only for Tranched Credit Securities)

(vi) Additional terms relating to Tranched  
Credit Securities:

[Applicable/Not Applicable]

Relevant Annex:

Index Sponsor:

Attachment Point:

Exhaustion Point:

Any other terms or provisions:

(vii) Part B of Credit Security Conditions:

[Applicable] [Not Applicable]

[If applicable:

Cash Settlement Date / Credit Event Valuation Period End Date /Extended Valuation Period / Grace Period/ Hedge Counterparty / Payment Requirement:

[As per the Credit Security Conditions] [Specify any variations or additions to the Credit Security Conditions]

57. ETI Linked Redemption Amount:

[Applicable/Not applicable]

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

(i) ETI/ETI Basket:

(ii) ETI Interest(s):

[insert type of ETI Interest(s)]

(iii) ETI Related Party:

[As per Conditions]/[specify]

(iv)	ETI Documents:	[As per Conditions][ <i>specify</i> ]
(v)	Exchange(s):	The relevant Exchange[s] [is/are] <input checked="" type="checkbox"/> . [Not applicable]
(vi)	Related Exchange:	[ <i>specify</i> ]/[All Exchanges]/[Not applicable]
(vii)	Scheduled Trading Day:	[All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]  ( <i>must match election made for Exchange Business Day</i> )
(viii)	Exchange Business Day:	[All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]  ( <i>standard election is All ETI Interest Basis</i> )
(ix)	Redemption Valuation Date:	<input checked="" type="checkbox"/>
(x)	Calculation Date(s):	[As per Conditions]/[ <i>specify</i> ]
(xi)	Initial Calculation Date:	<input checked="" type="checkbox"/> /[Not applicable]
(xii)	Final Calculation Date:	<input checked="" type="checkbox"/> /[Not applicable]
(xiii)	Hedging Date:	<input checked="" type="checkbox"/>
(xiv)	Investment/AUM Level:	[As per Conditions][ <i>specify</i> ]
(xv)	Value per ETI Interest/Trading Price Barrier:	[As per Conditions][ <i>specify</i> ]
(xvi)	Number of Value Publication Days:	<input checked="" type="checkbox"/> calendar days] <input checked="" type="checkbox"/> Business Days (as defined in Condition 3.13)]  [Additional Financial Centre: [ <i>specify</i> ]  ( <i>N.B. Only applicable if Number of Value Publication Days is calculated by reference to Business Days</i> )]
(xvii)	Value Trigger Percentage:	[As per Conditions][ <i>specify</i> ]
(xviii)	Value Trigger Period:	[As per Conditions][ <i>specify</i> ]
(xix)	Basket Trigger Level:	[As per Conditions][ <i>specify</i> ]
(xx)	Settlement Price:	[Official closing price]/[Value per ETI Interest]
(xxi)	Weighting:	[Not applicable]/[The Weighting to be applied to each item comprising the ETI Basket to ascertain the Settlement Price is <input checked="" type="checkbox"/> . Each such Weighting shall be subject to adjustment in the case of ETI Linked Notes]/[ <i>specify</i> ]. ( <i>N.B. Only applicable in relation to Cash Settled Notes relating to an ETI Basket</i> )
(xxii)	Valuation Time:	[Scheduled Closing Time/Any time [on the relevant

Settlement Price Date] / [during the Observation Period].]  
 [The Valuation Time is [●], being the time specified on the relevant Settlement Price Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]  
*(N.B. if no time specified, the Valuation Time will be the Scheduled Closing Time).*

(xxiii) Maximum Stock Loan Rate: [Maximum Stock Loan Rate in respect of [specify in relation to each relevant ETI Interest] is [●].]

(xxiv) ETI Interest Correction Period: [As per Conditions]/[specify]

(xxv) Termination Amount: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[specify]

(xxvi) Simple Interest Spread: [As per Conditions]/[specify]

(xxvii) Termination Date: [●]

(xxviii) [Protected Amount: *[If Delayed Redemption on the Occurrence of an Extraordinary ETI Event and Principal Protected Termination Amount are applicable: [specify] per cent. of the Specified Denomination]*

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

**58.** Foreign Exchange (FX) Rate Linked Redemption Amount: [Applicable/Not applicable]  
 [●]

(i) Relevant Screen Page: [specify]

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

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

(iv) Weighting: [specify]

(v) Price Source: [specify]

(vi) Disruption Event: Specified Maximum Days of Disruption will be equal to [●]/[five]

*(If no Specified Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to five)*

(vii) Valuation Time: [specify]

(viii) Redemption Valuation Date: [●]

[Currency Convention: [As per Conditions]/[Preceding Currency Convention]/[Modified Following Currency Convention]]

(ix) Delayed Redemption on the Occurrence of an Additional Disruption Event: [Applicable/Not applicable]  
*[If applicable:*

Principal Protected Termination Amount: [Applicable/Not applicable]

*[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Specified Denomination]]*

59. Underlying Interest Rate Linked Redemption Amount: [Applicable/Not applicable]

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

(i) Underlying Interest Determination Date(s): [specify]

*(If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate<sub>1</sub>:")*

(ii) Manner in which the Underlying Interest Rate is to be determined: [Screen Rate Determination/ISDA Determination]

(iii) Screen Rate Determination:

• Underlying Reference Rate: [specify]

*(Either LIBOR, EURIBOR or other)*

• Specified Time: [specify]

*(which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR)*

• Relevant Screen Page: [specify]

*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*

(iv) ISDA Determination:

• Floating Rate Option: [specify]

• Designated Maturity: [specify]

• Reset Date: [specify]

- (v) Underlying Margin(s): [+/-][●] per cent. per annum
- (vi) Minimum Underlying Reference Rate: [●] per cent. per annum
- (vii) Maximum Underlying Reference Rate: [●] per cent. per annum

*(If more than one [Underlying Interest Rate] is to be determined, include the following language: "Underlying Interest Rate<sub>2</sub>:" and repeat items (ii) to (vii).*

*Repeat for each Underlying Interest Rate.)*

**60. Debt Securities:**

[Applicable/Not applicable]

- (a) Debt Instruments: [Specify]

*(Not applicable if Futures Price Valuation applicable)*

- (b) Nominal Amount: [The relevant nominal amount is [●] and the Relevant Screen Page is [●].][Not applicable]

*(Not applicable if Futures Price Valuation applicable)*

- (c) Reference Price: [The Reference Price[s] for [insert relevant Debt Instrument(s)] is/are the [bid price]/[mid price]/[offer price]/[bid yield]/[mid yield]/[offer yield].] [Not applicable]

*(Not applicable if Futures Price Valuation applicable)*

- (d) Exchange Business Day Centre(s): [Specify]

- (e) Valuation Time: [Specify]

- (f) Redemption Valuation Date: [ ]

- (g) Specified Maximum Days of Disruption: [As defined in Condition 13]/[specify] Scheduled Trading Days.]

*(Not applicable if Futures Price Valuation applicable)*

- (h) Delayed Redemption on Occurrence of Debt Instrument Redemption Event: [Applicable/Not applicable]

*[If applicable:*

Principal Protected Termination Amount: [Applicable/Not applicable]

*[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Specified Denomination]]*

*(Not applicable if Futures Price Valuation applicable)*

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

*(Not applicable if Futures Price Valuation applicable)*

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

*(Not applicable if Futures Price Valuation applicable)*

(k) Weighting: [Not applicable/The weighting to be applied to each item comprising the Basket of Debt Instruments to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment.]

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

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

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

(ii) Exchange-traded Contract: [Specify]/[If the Debt Securities are Rolling Futures Contract Securities: Debt Security Condition 7 applies]

(iii) Synthetic Debt Instrument: [include description of the key terms of the synthetic debt instrument]

(iv) Delivery or expiry month: [Specify]/[Not applicable]

*(Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities)*

(v) Period of Exchange-traded Contracts: [Specify]/[Not applicable]

*(Only applicable in the case of Debt Securities that are Rolling Futures Contract Securities)*

(vi) Futures or Options Exchange: [Specify]

(vii) Futures Rollover [Date/Period]: [Not applicable]/[Specify]

(viii) Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract: [Applicable/Not applicable]

*[If applicable:*

Principal Protected Termination Amount: [Applicable/Not applicable]]

*[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Specified Denomination]]*

(ix) Daily Settlement Price Correction Period: [As per the Conditions][Specify]

**61.** Early Redemption Amount: [Calculation Amount x [●] per cent.]

- [Amortised Face Amount]
- [Market Value less Costs]
- 62.** Provisions applicable to Physical Delivery:<sup>18</sup> [Applicable/Physical Delivery Option [1/2/3]/Not applicable]
- (i) Entitlement in relation to each Note: [The Entitlement Amount in relation to each Note is:
- [Delivery of Worst-Performing Underlying applicable:  
*[Insert formula from Payout Conditions]*  
 [NA: [●]]  
 Redemption Payout:  
 [●]  
 SPS Valuation Date: [●]]
- [Delivery of Best-Performing Underlying applicable:  
*[Insert formula from Payout Conditions]*  
 [NA: [●]]  
 Redemption Payout:  
 [●]  
 SPS Valuation Date: [●]]
- [Delivery of the Underlying applicable:  
*[Insert formula from Payout Conditions]*  
 [NA: [●]]  
 Redemption Payout:  
 [●]  
 SPS Valuation Date: [●]]
- (ii) Relevant Asset(s): [As specified above]/The relevant asset to which the Notes relate [is/are] [●].
- (iii) Cut-Off Date: [●]/[As specified in Condition 4(b)]
- (iv) Settlement Business Day(s): [*specify*]
- (v) Delivery Agent: [Not applicable/*specify*]
- (vi) Failure to Deliver due to Illiquidity: [Applicable/Not applicable]
- (N.B. Only applicable in the case of Physical Delivery Notes - Failure to Deliver due to Illiquidity is applicable to certain Share or ETI Linked Notes. Careful consideration should be given to whether Failure to Deliver due to Illiquidity would apply to other Physical Delivery Notes)*
- 63.** Hybrid Securities: [Applicable/Not applicable]
- [If applicable:
- (a) The Notes are linked to each of the types of

<sup>18</sup> Not applicable to Commodity Linked Notes or Credit Linked Notes.

Underlying Reference (each a "**Type of Underlying Reference**") set out in the table below. The terms and conditions of the Notes will be construed on the basis that in respect of each separate Type of Underlying Reference, the relevant terms applicable to each such separate Type of Underlying Reference will apply, as the context admits, separately and independently in respect of the relevant Type of Underlying Reference[, subject as provided in (b) below].

*[Include each Type of Underlying Reference]*

Type of Underlying Reference

[●] [See item [●]]

[●] [See item [●]]

[●] [See item [●]]

(b) Hybrid Business Day [Applicable/Not applicable]

[if applicable:

**"Hybrid Business Day"** means a day which is a Scheduled Trading Day (as defined in the relevant Annex and completed in the applicable Final Terms) for each Type of Underlying Reference specified in the applicable Final Terms.

*[If Hybrid Business Day is applicable, each date for valuation (e.g. valuation date, averaging date, observation date etc.) which is the subject of the Hybrid Securities provisions should be expressed to be "[●] or if that is not a Hybrid Business Day the immediately [succeeding/preceding] Hybrid Business Day"]]*

**64.** Variation of Settlement:

(i) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Notes.

(ii) Variation of Settlement of Physical Delivery Notes: [Notwithstanding the fact that the Notes are Physical Delivery Notes, the Issuer may make payment of the Final Redemption Amount on the Maturity Date and the provisions of Condition 4(b)(ii)(B) will apply to the Notes./The Issuer will procure delivery of the Entitlement in respect of the Notes and the provisions of Condition 4(b)(ii)(B) will not apply to the Notes.]

**65.** CNY Payment Disruption Event: [Applicable]/[Not applicable]

[If applicable:

[Postponement: [Applicable/Not applicable]]

[Payment of Equivalent Amount: [Applicable/Not applicable]

Equivalent Amount Settlement Currency: [specify]

Equivalent Amount Price Source: [specify]

Equivalent Amount Settlement Valuation Time: [specify]/[As per Conditions]]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 66.** Form of Notes: [Bearer Notes:  
New Global Note:<sup>19</sup> [Yes/No]  
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event].  
[Temporary Global Note exchangeable for definitive Notes on and after the Exchange Date.]]<sup>20</sup>  
[Italian Dematerialised Notes]  
[Registered Notes:  
Registered Global Note (U.S.\$[●] nominal amount)/Registered Notes in definitive form (specify nominal amounts)]
- 67.** Financial Centre(s) or other special provisions relating to Payment Days for the purposes of Condition 4(a): [Not applicable/give details] (Note that this paragraph relates to the date of payment and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 44 relates. All relevant Financial Centre(s) (including the location of the relevant agent(s)) should be included other than Target2)
- 68.** Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
- 69.** Details relating to Notes redeemable in instalments: amount of each instalment, date on which each payment is to be made: [Not applicable/give details]

<sup>19</sup> You should only elect "yes" opposite "New Global Note" if you have elected "yes" to the Section in Part B under the heading "Operational Information" entitled "Intended to be held in a manner which would allow Eurosystem eligibility".

<sup>20</sup> In relation to any Series of Notes which are expressed to be issued in denominations of [EUR 100,000] and integral multiples of [EUR 1,000] the Global Note will not be exchangeable at the option of the holder.

- (i) [Instalment Amounts: [●]
- (ii) Instalment Dates: [●]]
70. Redenomination, renominatisation and reconventioning provisions: [Not applicable/The provisions [in Condition 7] apply]
71. Calculation Agent: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas]/[BNP Paribas Fortis SA/NV]/[Specify other]
- Calculation Agent address for the purpose of the Noteholder Account Information Notice: [specify]
72. Principal Paying Agent: [BNP Paribas Securities Services, Luxembourg Branch]/[BNP Paribas Securities Services, Milan Branch]/[BNP Paribas Arbitrage S.N.C.]
- (N.B: BNP Paribas Securities Services, Milan Branch will always be Principal Paying Agent if the Notes are Italian Dematerialised Notes)*

## DISTRIBUTION

73. (i) If syndicated, names [and addresses]<sup>21</sup> of Managers [and underwriting commitments/quotas (material features)] (specifying Lead Manager): [Not applicable/give names]
- (i) Date of [Subscription Agreement]:<sup>22</sup> [●]
- (ii) Stabilisation Manager (if any): [Not applicable/give name]
74. Total commission and concession:<sup>23</sup> [●] per cent. of the Aggregate Nominal Amount
75. U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/ TEFRA Not applicable]
76. Non-exempt Offer: [Applicable] [Not applicable] *(if not applicable, delete the remaining placeholders of this paragraph 76 and paragraph 9 of Part B).*
- (i) Non-exempt Offer Jurisdictions: [Specify relevant Member State(s) where the Issuer intends to make Non-exempt Offers (select from the list of Non-exempt Offer Jurisdictions in the Base Prospectus) – which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]

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

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

<sup>23</sup> Delete if minimum denomination is at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or if the securities are Derivative Securities.

- (ii) Offer Period: [specify date and, if applicable, time] until [and including] [specify date (and, if applicable, time) or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter"] [subject to any early closing]/[From (and including) the Issue Date until (and including) the date on which the Securities are delisted]
- (iii) Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it: [insert names and addresses of financial intermediaries receiving consent (specific consent)]
- (iv) General Consent: [Not applicable]/[Applicable]
- (v) Other Authorised Offeror Terms: [Not applicable] [Add here any other Authorised Offeror Terms]

*(Authorised Offeror Terms should only be included here where General Consent is applicable)*

*(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*

## **PROVISIONS RELATING TO COLLATERAL AND SECURITY**

77. Collateral Security Conditions: [Applicable – Parts A, B or C of Annex 13 (Additional Terms and Conditions for Secured Securities) will apply/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)(Specify not applicable if Securities are Nominal Value Repack Securities and complete paragraph 78)*
- [Part A/Part B/Part C] of Annex 13 will apply.] (specify)*
- [Only specify Part B where the Securities are Collateral Asset Linked Securities]*
- (a) Collateral Pool: [specify]
- (b) Type of Collateral Pool: [Single Series Pool/Multiple Series Pool]
- (c) (i) Eligible Collateral: [specify] [Cash denominated in [Euro][an Eligible Currency] [Eligible Currency(ies)-[ ] ] [specify eligible currencies if Eligible Collateral consists of cash other than in Euro] [Eligible Equity Collateral] [Linked Note Collateral][Credit Linked Note Collateral][Loan

Participation Note Collateral][Loan Collateral][Convertible Bond Collateral][Exchangeable Bond Collateral][Covered Bond Collateral][Pfandbriefe Collateral][Zero Coupon Bond Collateral][Vanilla Debt Securities][Eligible ABS Collateral]Eligible Fund Collateral][issued by[●]/[with ISIN [●] (specify)/ [Specify further details][See table in Part B for further details of the assets] [Initial Collateral Assets: Applicable/Not applicable][Specify][Delete if Part C of Annex 13 is not applicable][Where the Securities are Collateral Asset Linked Securities, this paragraph 77(c) should be completed in conjunction with paragraphs 77(u)(iii) and 77(u)(iv)]

(ii) Fallback Collateral:

[Not applicable]/ [specify] [Cash denominated in [Euro][an Eligible Currency] [Eligible Currency(ies) [ ] ] [specify eligible currencies if Eligible Collateral consists of cash other than in Euro] [Eligible Equity Collateral] [Linked Note Collateral][Credit Linked Note Collateral][Loan Participation Note Collateral][Loan Collateral][Convertible Bond Collateral][Exchangeable Bond Collateral][Covered Bond Collateral][Pfandbriefe Collateral][Zero Coupon Bond Collateral][Vanilla Debt Securities][Eligible ABS Collateral]Eligible Fund Collateral][issued by[●]/[with ISIN [●] (specify)/ [Specify further details][See table in Part B for further details of the assets]

(d) Type of collateralisation:

[MTM Collateralisation]/[Partial MTM Collateralisation]/[Nominal Value Collateralisation] / [Partial Nominal Value Collateralisation] [The Securities are Nominal Value Collateral Asset Linked Securities and Collateral Security Condition 10 of Part B of Annex 13 is not applicable] [The Securities are Partial Nominal Value Collateral Asset Linked Securities and Collateral Security Condition 9 of Part B of Annex 13 is not applicable] [- Partial Collateralisation Level is equal to [specify]][NB - where Partial MTM Collateralisation or Partial Nominal Value Collateralisation is applicable, or Collateral Security Condition 10 of Part B of Annex 13 applies specify level][Group Collateralisation is applicable][Delete where Group Collateralisation is not applicable]

(e) Type of enforcement:

[Collateral Cash Settlement]/[Physical Delivery Of Collateral] /[See Part B of Annex 13][Specify where the Securities are Collateral Asset Linked Certificates]/[See Collateral Security Condition 9 of Part C of Annex 13][Specify where the Securities are Collateral Asset Linked Securities and Part C of Annex 13 applies]

(f) Haircut:

[Applicable/Not applicable]

(g) Security Termination Amount:

[Security Value Termination Amount]/[Security Value

- Realisation Proceeds]/[Nominal Value Realisation Proceeds]/[Partial Nominal Value Realisation Proceeds]/[Nominal Value Amount]/[Shortfall Value Amount]/[specify]/[Security MTM Termination Amount] [NB: Nominal Value Realisation Proceeds, Partial Nominal Value Realisation Proceeds or Nominal Value Amount should not be specified as the Security Termination Amount if MTM Collateralisation or Partial MTM Collateralisation have been specified in paragraph (d) above] [Only specify Security MTM Termination Amount where Part B of Annex 13 applies or Collateral Security Condition 9 of Part C of Annex 13 applies]
- (h) Priority of Payments: [Not applicable]/Holder Priority of Payments, Swap Counterparty Priority of Payments, Repo Counterparty Priority of Payments, Unwind Priority of Payments [specify] [NB The same Priority of Payments must apply to each series of Secured Securities secured by the same Collateral Pool][Specify not applicable if Part B or Part C of Annex 13 applies]
- (i) Additional or Alternative Security Agreement(s): [None]/[Specify details including governing law]
- (j) Limited Diversification: [Applicable/Not applicable]
- (k) Collateral Valuation Dates: [specify]/[None]
- (l) Collateral Calculation Agent: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas]/[specify]/[Not applicable]
- (m) Collateral Custodian: [BNP Paribas Securities Services, Luxembourg Branch]/[specify]
- (n) Collateral Agent: [BNP Paribas Trust Corporation UK Limited]/[specify]
- (o) Swap Agreement: [Applicable/Not applicable]
- (p) Swap Counterparty: [BNP Paribas] [Not applicable]/[specify]
- (q) Repurchase Agreement: [Applicable/Not applicable]
- (r) Repo Counterparty: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas] [Not applicable]/[specify]
- (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 Redemption Amount: *specify if Collateral Physical Settlement is applicable*]/[Default Redemption]/[Option Value Redemption] is applicable.
- (ii) Hedging Failure: [Applicable]/[Not applicable]
- (t) Collateral Security Credit Certificates: [Collateral Security Condition 8 in [Part B][Part C] of Annex 13 is applicable and the Secured Securities are Collateral Security Credit Securities]/[Not applicable] *[If not applicable delete the remaining sub paragraphs of this paragraph]*
- (i) Redemption Date: *[specify]*
- (ii) Reference Entity: *[specify]*
- (iii) Terms relating to Settlement: [As per Collateral Security Condition 8]
- (iv) Accrual of Interest upon Credit Event: [As per Collateral Security Condition 8.3(a)(i)]/[As per Collateral Security Condition 8.3(a)(ii)]/[Not applicable]
- (u) Collateral Asset Linked Securities: [[[Collateral Security Condition [9] [10] of] Part B of Annex 13] [Collateral Security Condition 9 of Part C of Annex 13] is applicable and the Secured Securities are Collateral Asset Linked Securities]/[Not applicable] *[If not applicable delete the remaining sub paragraphs of this paragraph]*
- (i) Initial Posting Date: [Issue Date]/*[specify]*
- (ii) Distributor: *[specify]*/[None]
- (iii) MTM Adjustable Assets: *[specify]*/[Include ISINs where applicable] [NB must also constitute Eligible Collateral]/[Not applicable] [NB "Not applicable" to be specified only in respect of Nominal Value Collateral Asset Linked Securities or Partial Nominal Value Collateral Asset Linked Securities]
- (iv) Reference Collateral Assets: *[specify]*/[Include ISINs where applicable][NB must also constitute Eligible Collateral]
- (v) Reference Collateral Assets Issuer: *[specify]*
- (vi) Reference Delivery Amount: [As per Conditions]/*[specify]*
- (vii) Security MTM Termination Amount: [Realisation Proceeds Share]/*[specify]*
- (viii) Scheduled Underlying Reference Linked Payment(s): [Interest Amount(s)]/*[specify]*/[Not applicable]

78. Nominal Value Repack Securities: [Applicable – Part D of Annex 13 (Additional Terms and Conditions for Secured Securities) will apply/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)(Specify not applicable if the Securities are Secured Securities but Part A, B or C of Annex 13 applies, in which case complete paragraph 77)*
- The Securities are [Credit] Nominal Value Repack Securities
- (a) Collateral Pool: [Specify]
- (b) Type of Collateral Pool: [Single Series Pool/Multiple Series Pool]
- (c) Collateral Assets:
- (i) Specified Reference Collateral Assets: [The "Reference Collateral Assets" in respect of the series of Secured Securities are:[ specify/include name of securities] [issued by [●] (the "RCA Issuer") with ISIN: [●]]
- [The Eligible Collateral Issuer Obligations] /[Specified Obligations]/[The Repo Collateral Securities]
- (ii) Initial Posting Date: [Issue Date]/[specify] [Settlement Grace Period is applicable where the Reference Collateral Assets Grace Period is [specify] Business Days]
- (d) Type of collateralisation: [Nominal Value Collateralisation] / [Partial Nominal Value Collateralisation] [-Collateralisation Level is equal to [specify]][NB - where Partial Nominal Value Collateralisation is applicable, specify level]
- [Group Collateralisation is not applicable.] [Delete where Group Collateralisation is applicable]
- (e) Type of enforcement: Physical Delivery of Collateral is [applicable:] [not applicable] [Disruption Cash Redemption Amount is equal to [●]] [Collateral Settlement Disruption Period is [as set out in Collateral Security Condition 1]][specify][Delete if Physical Delivery of Collateral is not applicable]
- (f) Security Termination Amount: [Nominal Value Realisation Proceeds]/[Partial Nominal Value Realisation Proceeds]/[Realisation Proceeds]/[Physical Delivery of Collateral]
- (g) Priority of Payments: [Holder Priority of Payments] /[Swap Counterparty Priority of Payments] /[Swap Counterparty Priority of Payments – Subordination Flip] /[Repo Counterparty Priority of Payments]

- (h) Additional or Alternative Security Document(s): [None]/[Specify details including governing law] [The Pledge Agreement will be governed by [specify] law] [Insert where Pledge Agreement governed by a law other than Luxembourg law]
- (i) Security Trustee: [The Law Debenture Trust Corporation p.l.c.]/ [specify]
- (j) Secured Parties: [As set out in Collateral Security Condition 1]/[specify]
- (k) Collateral Calculation Agent: [As set out in Collateral Security Condition 1] [specify]
- (l) Collateral Custodian: [BNP Paribas Securities Services, Luxembourg Branch]/ [specify]
- (m) Related Agreement[s]: [Applicable/Not applicable] [Delete remaining subparagraphs if not applicable]
- (i) Swap Agreement: [Applicable/Not applicable][Delete remaining subparagraphs if not applicable]
- Swap Counterparty: [BNP Paribas] / [specify]
- Credit Support Document: [As set out in Collateral Security Condition 1]/[specify]/ [Not applicable]
- Swap Agreement Termination Payment: [Recovery Access: [Applicable]][Not applicable]
- (ii) Repurchase Agreement: [Applicable/Not applicable]
- Repo Counterparty: [BNP Paribas] / [Not applicable]/[Specify]
- Repo Collateral Securities [Specify]
- (iii) Collateral Exchange Agreement: [Applicable/Not applicable]
- Collateral Exchange Counterparty: [BNP Paribas] / [Specify]
- Replacement Collateral Assets: [Specify]
- Over Collateralisation Level: [Specify]
- (n) Early Redemption Events: [The following Early Redemption Event[s] will apply to the Securities:
- [Annex Early Redemption Event;]

[Asset Payment Default Event;]  
 [Asset Default Event;]  
 [Asset Redemption Event;]  
 [Asset Payment Shortfall Event;]  
 [CDS Credit Event;]  
 [MTM Trigger Redemption Event;]  
 [RCA Change in Law Event;]  
 [RCA Regulatory Event;]  
 [RCA Repudiation/Moratorium Event;]  
 [RCA Restructuring Event;]  
 [RCA Tax Event;]  
 [RCA Issuer Bankruptcy Event;]  
 [RCA Issuer/Parent Bankruptcy Event;]  
 [RCA Issuer/Parent Payment Default Event;]  
 [RCA Issuer/Parent Restructuring Event;]  
 [RCA Issuer/Parent Governmental Intervention Event;]  
 [RCA Issuer/Parent Obligation Acceleration Event;]  
 [RCA Issuer/Parent Repudiation/Moratorium Event;] [and]  
 [Related Agreement Termination Event;]

[will apply in respect to the following RCA Reference Entity[ies]:*[Specify]**[Include wording listing the relevant Early Redemption Events from list above where different Early Redemption Events apply to different RCA Reference Entities.]*

[and] [Early Redemption Scenario [1, 2, 3] will apply [in respect to the following RCA Reference Entity[ies]:*[Specify]*.] *[Include wording specifying the relevant Early Redemption Scenario where different Early Redemption Scenarios apply to different RCA Reference Entities]*

- (i) Event Trigger Date: [As set out in Collateral Security Condition 1] *[specify]*
- (ii) RCA Reference Entity: [RCA Issuer;]

[RCA Parent;]

[RCA Guarantor;]

[Specified Reference Entity;] [and]

[Eligible Collateral Issuer;]

(iii) Terms relating to Settlement: Collateral Physical Settlement is [not] applicable. [Disruption Cash Redemption Amount is equal to [●].]

(iv) Accrual of Interest upon Early Redemption Event: [As per Collateral Security Condition 6.1(a)(i)]/[As per Collateral Condition Security Condition 6.1(b)]/[As per Collateral Security Condition 6.1(a)(ii)]/[Not applicable]

(v) Reference Obligation(s):

The obligation identified as follows:

Primary Obligor: [●]

Guarantor: [●]

Maturity: [●]

Coupon: [●]

CUSIP/ISIN: [●]

Original Issue Amount [●]

[The obligation specified as the Reference Obligations above shall be the Original Non-Standard Reference Obligation notwithstanding that such obligation is not an obligation of the RCA Reference Entity, and notwithstanding any contrary provision of the definition of "Original Non-Standard Reference Obligation" (and, for the avoidance of doubt, paragraph (a) of the definition thereof applies).] [*Delete if not applicable or if Reference Obligation above is an obligation of the RCA Reference Entity*]

Standard Reference Obligation: [Applicable/Not applicable/[●]]

(vi) Seniority Level: [Senior Level]/[Subordinated Level]/[●]

(vii) Default Requirement: [Specify]/[Not applicable] [*Specify not applicable if Transaction Type is specified*]

(viii) Payment Requirement: [*Specify*]/ [Not applicable] [*Specify not applicable if Transaction Type is specified*]

(ix) Transaction Type: [*Specify*] [Not applicable]

(o) SB/JGB Repackaging: [Applicable/Not applicable] [*Delete remaining sub-*

*paragraphs if not applicable]*

- (i) Specified Reference Entity: [Applicable – [specify]]/[Not applicable]
- (ii) Transaction Type for Specified Reference Entity: [Specify]/[Not applicable]
- (iii) Eligible Collateral Issuer: [Applicable- [specify]]/[Not applicable]
- (iv) Transaction Type for Eligible Collateral Issuer: [Specify]/[Not applicable]
- (v) Eligible Collateral Issuer Obligations: [Specify]/[Not applicable]
- (vi) Specified Obligations: [Specify] [Reference Obligations] [Not applicable]
- (vii) [Obligation Category: [In respect of the Obligations of the Specified Reference Entity: [Specify]  
[In respect of the Obligations of the Eligible Collateral Issuer:] [Specify]  
[Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan]]
- (viii) Obligation Characteristics: [In respect of the Obligations of the Specified Reference Entity: [Specify]  
[In respect of the Obligations of the Eligible Collateral Issuer:] [Specify]  
[Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance][Financial Reference Entity Terms] [All Guarantees][Delete if not applicable]
- (ix) Calculation Date: [As specified in Collateral Security Condition 1] / [Specify]
- (x) Default Requirement: [Specify]
- (xi) Payment Requirement: [Specify]
- (xii) Reference Collateral Credit Event(s): [Specify]

*[Where different Reference Collateral Credit events are applicable in respect of the Specified Reference Entity and the Eligible Collateral Issuer, list these separately]*

[In respect of the Specified Reference Entity]: [specify applicable Reference Collateral Credit Event(s)]

[In respect of the Eligible Collateral Issuer]: [specify applicable Reference Collateral Credit Event(s)]

		[Bankruptcy] [Failure to Pay] [Restructuring][ <del>-Multiple Holder Obligation is not applicable</del> ][ <i>Delete where Multiple Holder Obligation is applicable</i> ] [Repudiation/Moratorium] [Obligation Acceleration] [Obligation Default] [Governmental Intervention]  [Specify where Repudiation//Moratorium Extension is applicable or Multiple Holder Obligation is not applicable in respect of the Specified Reference Entity/the Eligible Collateral Issuer]
(xiii)	Publicly Available Information:	[Applicable]/[Not applicable]
(xiv)	Multiple Credit Events:	[Applicable]/[Not applicable]
(xv)	Method of early redemption:	[Collateral Security Condition 5.9]/[Collateral Security Condition 5.10] is applicable: [Standard]/[Payment of Reference Price]/[Delivery of Specified Obligations] [Specify as applicable]
(xvi)	Method of calculating Reference Price:	[Average Market]/[Highest]/[Average Highest]
(xvii)	Specified Number of Dealers:	[Specify]
(xviii)	Minimum Number of Quotations:	[Specify]
(p)	MTM Trigger Redemption Event:	[Swap MTM Event] [Reference Collateral Assets MTM Event] [Secured Securities MTM Event] [Applicable / Not applicable][ <i>Delete remaining sub-paragraphs if not applicable</i> ]
	(i) MTM Trigger Valuation Method:	[Calculation Agent Valuation] [Dealer Poll Valuation]
	(ii) Collateral Trigger Percentage:	[[●] per cent.]
(q)	Collateral Substitution:	[Applicable]/[Not applicable] [ <i>Delete remaining sub-paragraphs if not applicable</i> ] [Notice of Substitution is applicable]
	(i) Dual Substitution:	[Applicable]/[Not applicable]
	(ii) Single Substitution:	[Applicable]/[Not applicable]
	(iii) Alternative Substitution:	[Applicable]/[Not applicable] [ <i>Specify replacement assets which will be substituted</i> ]

- |     |                          |   |
|-----|--------------------------|---|
| (r) | Deferral of payments:    | [Applicable]/[Not applicable]   |
| (s) | Market Value Put Option: | [Applicable]/[Not applicable] <i>[Delete remaining subparagraphs if not applicable]</i> |
|     | – Holder's Option Period | [Specify]/[Not applicable]  |

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

**[THIRD PARTY INFORMATION]**

*[Relevant third party information]*, has been extracted from *[specify source]*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

## PART B – OTHER INFORMATION

### 1. Listing and Admission to trading

- (i) Listing and admission to trading: [The Notes are unlisted.]/[Application has been made to list the Notes on [the Official List of the Luxembourg Stock Exchange/ Euronext Paris/ Euronext Brussels] and to admit the Notes for trading on [the Luxembourg Stock Exchange's regulated market/Euro MTF Market/Euronext Paris/ Euronext Brussels] [with effect from [●]].]/[Application will be made to list the Notes on the Italian Stock Exchange and to admit the Notes described herein for trading on the [MOT Market]/[electronic "Securitized Derivatives Market" (the "**SeDeX**")], organised and managed by Borsa Italiana S.p.A. [with effect from [●]]]/[Application has been made to list the Notes on the stock exchange of [Madrid/Barcelona/Valencia/Bilbao] and to admit the Notes to trading in the Notes Module of the Spanish stock market trading system (Sistema de Interconexión Bursátil Español ("**SIBE**")) [with effect from [●]].]/[Application will be made to list the Notes on [ Euronext Paris/[NYSE Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A. ("**Euronext Lisbon**")/OPEX - Sociedade Gestora de Sistema de Negociação Multilateral, S.A. ("**OPEX**")/ Euronext Brussels] and to admit the Notes described herein for trading on [ Euronext Paris/ Euronext Brussels/EasyNext Lisbon managed by Euronext Lisbon]/[PEX managed by OPEX/ Euronext Paris] [with effect from [●]].]/[Application will be made to list the Notes on the Nordic Derivatives Exchange Stockholm (the "**NDX**") and to admit the Notes for trading on the NDX [with effect from [●]].] [Application [has been/will be] made to list the Notes and to admit the Notes for trading [with effect from [●]] on the Official List of NASDAQ OMX Helsinki Ltd. and/or on the Nordic Derivatives Exchange of the Nordic Growth Market NGM AB]/[specify other exchange]. [Application will be made for the Notes to be admitted to trading on the Multilateral Trading Facility EuroTLX (managed by EuroTLX SIM S.p.A.) [with effect from [●]]. The Issuer is not a sponsor of, nor is it responsible for, the admission and trading of the Notes on the EuroTLX and no assurance can be given that any such application will be successful.] [Application will be made to list the Notes and to admit the Notes for trading on the Official List of NASDAQ OMX Stockholm [with effect from [●]].]/[Application has been made to list the Notes on the Official List of the Freiverkehr Stock Exchange and to admit the Notes for trading on the Frankfurt Stock Exchange's Regulated Unofficial Market ("Freiverkehr" section) [with effect from [●]].] [Application has been made to the UK Listing Authority for the Notes to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market for listed securities [with effect from [●]].]/[Application has

been made to list the Notes on the Main Board of the Johannesburg Stock Exchange and to admit the Notes described herein for trading through the Central Securities Depository [with effect from [●]].][Application has been made to list the Notes on NYSE Alternext Brussels and to admit the Notes for trading on NYSE Alternext Brussels. [with effect from [●]]]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading)*

- (ii) Estimate of total expenses related to admission to trading: [●]<sup>24</sup>

## 2. Ratings

[The Notes to be issued [have been]/[are expected to be] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies).]

[The Notes have not been rated.]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*

[●]

***EITHER*** *[[Insert the legal name of the relevant CRA entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant CRA entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]*

***OR*** *[[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended)]. [Insert the legal name of the relevant non-EU CRA entity] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation]*

***OR*** *[[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by [insert the legal name of the relevant EU-registered CRA entity] in accordance with the CRA Regulation. [Insert the legal name of the relevant EU CRA entity] is established in the European Union and registered under the CRA Regulation]. As such [insert the legal*

<sup>24</sup>

Delete if minimum denomination is less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or if the securities are Derivative Securities.

*name of the relevant EU CRA entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico (delete as appropriate)] which have been endorsed by [insert the legal name of the relevant EU CRA entity that applied for registration] may be used in the EU by the relevant market participants.]*

**OR** *[[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**), but it [is]/[has applied to be] certified in accordance with the CRA Regulation[[ **[EITHER:]** and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] [ **[OR:]** although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [insert the legal name of the relevant non-EU CRA entity] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]*

**OR** *[[Insert the legal name of the relevant CRA entity] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority [ and [insert the legal name of the relevant CRA entity] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]*

**OR** *[[Insert the legal name of the relevant non-EU CRA entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). However, the application for registration under the CRA Regulation of [insert the legal name of the relevant EU CRA entity that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert the legal name of the relevant non-EU CRA entity][, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and [insert the legal name of the relevant EU CRA entity] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in*

[Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico (delete as appropriate)] which have been endorsed by [insert the legal name of the relevant EU CRA entity that applied for registration] may be used in the EU by the relevant market participants.]

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

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

"Save as discussed [in the "Potential Conflicts of Interest" paragraph in the "Risk Factors" in the Base Prospectus], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer." ]]

**4. [Reasons for the Offer, Estimated Net Proceeds and Total Expenses<sup>25</sup>**

(i) Reasons for the offer [●]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

(ii) Estimated net proceeds: [●]

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

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

(N.B.: If the notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)<sup>26</sup>].

**5. [Fixed Rate Notes only – Yield**

Indication of [gross]<sup>27</sup> yield: [●]

[As set out above, the] [The] [gross]<sup>28</sup> yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield]

**6. [Floating Rate Notes only – Historic Interest Rates**

<sup>25</sup> If the Notes are derivative securities to which Annex XII of the Prospectus Regulation applies, disclosure in respect of Estimated Net Proceeds and Total Expenses is only required if reasons for the offer are disclosed.

<sup>26</sup> Not required for debt securities with a denomination per unit of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date).

<sup>27</sup> Include in the case of Belgian Securities.

<sup>28</sup> Include in the case of Belgian Securities.

[Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].]<sup>29</sup>

**7. [Performance of Rates of Exchange/Index/ Share/ Commodity/ Inflation/ Foreign Exchange Rate/ Fund/ Reference Entity/ Entities/ ETI Interest/ Formula and Other Information concerning the Underlying Reference**

*Need to include details of where past and further performance and volatility of the index/formula/commodity/rates/reference entity/fund/other variables can be obtained.]<sup>30</sup> [If there is a derivative component in the interest or the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, an example of how the value of the investment is affected by the value of the underlying may be included.]*

*[Where the underlying is an index need to include the name of the index and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained.]<sup>31</sup>*

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

**8. OPERATIONAL INFORMATION**

- |        |  |  |
|--------|--|--|
| (i)    | ISIN:  | [●]  |
| (ii)   | Common Code:   | [●]  |
| (iii)  | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg approved by the Issuer and the Principal Paying Agent and the relevant identification number(s): | [Not applicable/Central Moneymarkets Unit/Monte Titoli/give name(s) and number(s)]   |
| (iv)   | Delivery:  | Delivery [against/free of] payment   |
| (v)    | Additional Paying Agent(s) (if any):   | [Not applicable/give name]   |
| (vi)   | [CMU Instrument No.:   | Not applicable/[●]]  |
| (vii)  | [CMU Lodging Agent:  | Not applicable/[●]]  |
| (viii) | [CMU Paying Agent:   | Not applicable/[●]]  |
| (ix)   | Intended to be held in a manner which would allow Eurosystem eligibility <sup>32</sup> :   | [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs <sup>33</sup> as Common Safekeeper [(and registered in the name of a nominee of one of the ICSDs acting, as Common Safekeeper,] [include this text |

<sup>29</sup> Not required for debt securities with a denomination per unit of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date).

<sup>30</sup> Required for derivative securities.

<sup>31</sup> Required for derivative securities.

<sup>32</sup> See Part A - 65 "Form of Notes - New Global Note".

<sup>33</sup> The International Central Securities Depositories (i.e. Euroclear S.A./N.V. and Clearstream Banking, *société anonyme*).

*for Registered Notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*include this text if "yes" selected in which case the Notes must be issued in NGN form*]

/[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper.][*include this text for registered notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

## 9. [Public Offers]

Offer Price:	[The Issuer has offered the Notes to the Managers at the initial issue price of [●] less a total commission of [●]. <i>OR (where the price is not determined at the date of the Final Terms)</i> The issue price of the Notes will be determined by the Issuer and the [Managers] on or about [ ] in accordance with market conditions then prevailing, including [supply and demand for the Notes and other similar securities] [and] [the then current market price of [ <i>insert relevant benchmark security, if any</i> ]].][ <i>Give details</i> ]
Conditions to which the offer is subject:	[Offers of the Notes are conditional on their issue [and on any additional conditions set out in the standard terms of business of the Authorised Offerors, notified to investors by such relevant Authorised Offeror]]][ <i>Give details</i> ]
Description of the application process:	[Not applicable]/[ <i>Give details</i> ]  <i>(N/A unless full application process is being followed in relation to the issue)</i>
Details of the minimum and/or maximum amount of application:	[Not applicable]/[ <i>Give details</i> ]  <i>(N/A unless full application process is being followed in relation to the issue)</i>
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not applicable]/[ <i>Give details</i> ]  <i>(N/A unless full application process is being followed in relation to the issue)</i>

Details of the method and time limits for paying up and delivering the Notes: [The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof.][Give details]

Manner and date in which results of the offers are to be made public: [Not applicable][Give details]  
*(N/A unless the issue is an "up to" issue when disclosure must be included)*

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not applicable][Give details]  
*(N/A unless full application process is being followed in relation to the issue)*

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not applicable][Give details]  
*(N/A unless full application process is being followed in relation to the issue.)*

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

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

[Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and a description of the main terms of their commitment:] [None/give details (such as the maximum bid/offer spread of the offer price and the minimum unit amount per order)]

## 10. [Placing and Underwriting]<sup>34</sup>

[Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [The Authorised Offerors identified in Paragraph 76 of Part A above and identifiable in the Base Prospectus/None/give details]

Name and address of any paying agents and depository agents in each country (in addition to the Principal Paying Agent): [●]

Entities agreeing to underwrite the issue on a firm commitment basis, and [●]

<sup>34</sup> Required for derivative securities.

entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements.<sup>35</sup>

When the underwriting agreement has  been or will be reached:]

- 11. [Description of Collateral Assets:** Assets meeting the criteria in the table set out below under the headings "Eligible Collateral" and "Other information" shall constitute Collateral Assets:]<sup>36</sup>

	<i>Eligible Collateral</i>	<i>Other information</i>
[(A)]	[A pool of] [D]/debt securities [issued and guaranteed by [ ] with a minimum eligible rating of [specify] whose issuer or guarantor must be incorporated in [specify] and which must be traded on [specify relevant regulated markets]	
[(B)]	A pool of equity securities with a minimum eligible rating of [specify] the issuer or guarantor of which must be incorporated in [specify] and which must be traded on [specify relevant regulated markets]	
[(C)]	A pool of shares, units or interests in Collective Investment Schemes the issuer of which must be incorporated in [specify], the regulatory authority of which must be [specify] and which have minimum assets under management of [specify]	
[(D)]	Cash deposit denominated in [specify currency] (the "Eligible Currency")	
[(E)]	[Specify details of other Collateral Assets where applicable]	

**12. Description of Charged Assets<sup>37</sup>**

- (i) Charged Asset Structure: [Charged Asset Structure 1]/[Charged Asset Structure 2]/[Charged Asset Structure 3]/[Charged Asset Structure 4]/[Charged Asset Structure 5]/[Charged Asset Structure 6]/is applicable.

<sup>35</sup> Where not all of the issue is underwritten, a statement of the portion not covered.

<sup>36</sup> Insert where Parts A, B or C of Annex 13 apply and information is not included in paragraph 77 of Part A of the Final Terms. Delete otherwise.]

<sup>37</sup> Insert where Part D of Annex 13 is applicable.

*[Where a Charged Asset Structure is applicable replicate the applicable information/relevant paragraphs from the applicable Charged Asset Structure as set out in the Base Prospectus and complete the appropriate Variable Information for the Charged Asset Structure]:*

- (ii) Amount of the Specified Reference Collateral Assets: [Collateralisation Nominal Amount] [*Specify if other*]
- (iii) Credit Support Structure: [Credit Support Structure 1]/[Credit Support Structure 2]/[Credit Support Structure 3]/[Credit Support Structure 4]/ [Credit Support Structure 5][ *is/are applicable*] [Not applicable]

*Complete applicable items below:*

Credit Support Valuation Agent:[*Swap Counterparty*] [*specify*]/*delete if not applicable*].

Margin Delivery Date: [*specify*]/*delete if not applicable*].

Minimum Transfer Amount: [*specify*]/*delete if not applicable*].

Over Collateralisation Level:[*specify if other than 100%; otherwise delete*]

Repo Transaction Valuation Date: [*specify*]/*delete if not applicable*].

Support Percentage: [*specify*]/*delete if not applicable*].

Swap Agreement Valuation Date: [*specify*]/*delete if not applicable*].

Exchange Value: [*specify if amounts in addition to Value of Received Collateral is applicable*]

Exchange Margin Calculation Value: [*specify if amounts in addition to Value of Received Collateral is applicable*]

Exchange Transaction Valuation Date: [*specify*]/*delete if not applicable*].

Value: [*specify if other than market value; otherwise delete*]

Swap Counterparty Collateral: [*specify*]

- (iv) Loan to value ratio or level of collateralisation of the Specified Reference Collateral Assets: [*specify*]

- (v) Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets:
- [Applicable / Not applicable]
- For the purposes of Charged Asset Structure [1][2][3][4][5][6]:
- [the counterparty to the Swap Agreement is [BNP Paribas] (the "**Swap Counterparty**").]
- [the counterparty to the Collateral Exchange Agreement is: *[specify]* (the "**Collateral Exchange Counterparty**").]
- [the counterparty to the Repurchase Agreement is *[specify]* (the "**Repo Counterparty**").]
- [the issuer of Reference Collateral Assets (is *[specify]* (the "**RCA Issuer**").]
- [Where an obligor has securities already admitted to trading on a regulated or equivalent market or the obligations are guaranteed by an entity admitted to trading on a regulated or equivalent market, insert the name, address, country of incorporation, nature of business and name of the market in which its securities are admitted so far as the Issuer is aware and/or is able to ascertain from information published by the obligor(s)]*
- (v) Any relationship that is material to the issue between the Issuer, guarantor (if applicable) and obligor under the Charged Assets:
- [Applicable / Not applicable]
- [If applicable, provide details of the principal terms of that relationship]*
- [specify][which is the [insert capacity/capacities] under the Notes]*
- (vi) Charged Assets comprising obligations that are not admitted to trading on a regulated or equivalent market:
- [Applicable / Not applicable]
- [See paragraph entitled "Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets" above where the applicable Charged Asset Structure is specified]

- (vii) Charged Assets comprising obligations that are admitted to trading on a regulated or equivalent market: *[Applicable / Not applicable]*
- [If applicable, indicate the following:*
- (a) *a description of the securities;*
- (b) *a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country and the name of the market's regulatory authority;*
- (c) *the frequency with which prices of the relevant securities are published.]*
- (Complete in conjunction with relevant provisions above)
- [See paragraph entitled "Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets" above]*
- (viii) Names, addresses and significant business activities of the originators of the Collateral Assets: *[Applicable / Not applicable]*
- [If applicable, provide details]*
- (ix) Name, address and significant business activities of the Calculation Agent, together with a summary of the Calculation Agent's responsibilities, its relationship with the originator or the creator of the assets forming the Charged Assets: *[Specify]*
- (x) Names and addresses and brief description of the banks with which the main accounts relating to the series are held: Not applicable
- (xi) Information concerning the Charged Assets reproduced from a source published by a third party: *[Applicable / Not applicable]*
- [If applicable: So far as the Issuer is aware and is able to ascertain from information published by [specify], no facts have been omitted which would render the reproduced information misleading.]*

(xii) Legal jurisdiction by which *[Insert jurisdiction]*  
the Charged Assets are  
governed:

(xiii) Expiry or maturity date(s) of *[The Maturity Date/specify other]*  
the Charged Assets:

**ANNEX – ANNEX FOR CREDIT SECURITIES**

[●]

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the Terms and Conditions of the Notes which will include the additional terms and conditions for payouts for Securities contained in Annex 1, the additional terms and conditions contained in Annex 2 in the case of Index Securities, the additional terms and conditions contained in Annex 3 in the case of Share Securities, the additional terms and conditions contained in Annex 4 in the case of ETI Securities, the additional terms and conditions contained in Annex 5 in the case of Debt Securities, the additional terms and conditions contained in Annex 6 in the case of Commodity Securities, the additional terms and conditions contained in Annex 7 in the case of Inflation Index Securities, the additional terms and conditions contained in Annex 8 in the case of Currency Securities, the additional terms and conditions in Annex 9 in the case of Fund Securities, the additional terms and conditions contained in Annex 10 in the case of Futures Securities, the additional terms and conditions contained in Annex 11 in the case of Underlying Interest Rate Securities, the additional terms and conditions contained in Annex 12 in the case of Credit Securities and the additional terms and conditions contained in Annex 13 in the case of Secured Securities (each, an "Annex" and, together the "Annexes") (the "Terms and Conditions") which will be attached to or incorporated by reference into each Global Note and endorsed upon each definitive Note or in the case of Italian Dematerialised Notes (as defined below) will apply to such Notes. In the case of Italian Dematerialised Notes the applicable Final Terms in respect of such Notes will be available at the specified office of the relevant Issuer and at the office of the Italian Agent (in each case specified in the applicable Final Terms).*

For the purposes of Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**"), references in these Terms and Conditions to "Final Terms" shall be deemed to be references to "Pricing Supplement". The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73 EU) and includes any relevant implementing measure in the relevant Member State of the European Economic Area.

This Note is one of a Series of the Notes ("**Notes**", which expression shall mean (i) in relation to any Notes represented by a Note in global form (a "**Global Note**", which term shall include any Bearer Global Note or Registered Global Note), units of the lowest Specified Denomination (as specified in the applicable Final Terms) in the Specified Currency of the relevant Notes, (ii) definitive Notes issued in exchange (or part exchange) for a Global Note, (iii) any Global Note and (iv) Italian Dematerialised Notes (as defined below)) issued by the Issuer specified as such in the applicable Final Terms being any of BNP Paribas Arbitrage Issuance B.V. ("**BNPP B.V.**") or BNP Paribas Fortis Funding ("**BP2F**"), each an "**Issuer**" and references herein to the "**relevant Issuer**" being to the Issuer of the relevant Notes) subject to, and with the benefit of, a Note agency agreement (the "**Note Agency Agreement**", which expression includes the same as it may be updated, amended, supplemented or restated from time to time) dated on or around 10 June 2016 and made between BNPP B.V. as issuer, BNP Paribas ("**BNPP**") as guarantor (where the Issuer is BNPP B.V.) (in such capacity, the "**BNPP Guarantor**") and, if specified in the applicable Final Terms, calculation agent, BP2F as Issuer and BNP Paribas Fortis SA/NV ("**BNPPF**") as guarantor (where the Issuer is BP2F) (in such capacity, the "**BNPPF Guarantor**" and, together with the BNPP Guarantor, the "**Guarantors**" and each a "**Guarantor**") and, if specified in the applicable Final Terms, calculation agent, BNP Paribas Securities Services, Luxembourg Branch as transfer agent and, if specified as principal paying agent in the applicable Final Terms, principal paying agent (the "**Transfer Agent**" and, if applicable, the "**Principal Paying Agent**" which expressions shall include any successor as transfer agent or principal paying agent, as applicable), BNP Paribas Securities Services, Milan Branch as paying agent and Italian agent (the "**Italian Agent**" which expression shall include any successor as paying agent and Italian agent) and, if specified as principal paying agent in the applicable Final Terms, principal paying agent, (the "**Principal Paying Agent**" which expression shall include any successor as principal paying agent), BNP Paribas Arbitrage S.N.C. if specified in the Final Terms as calculation agent (together with BNP Paribas and BNPPF each a "**Calculation Agent**" which expression shall include any other calculation agent specified in the applicable Final Terms) and, if specified as principal paying agent in the applicable Final Terms, the principal paying agent (the "**Principal Paying Agent**" which expression shall include any successor as principal paying agent), BNP Paribas Securities Services, Luxembourg

Branch as registrar (the "**Registrar**", which expression shall include any successor registrar) and the other paying agents and transfer agents named therein (together with the Principal Paying Agent, the "**Paying Agents**" and "**Transfer Agents**" which expressions shall include any additional or successor paying agents or transfer agents). The Principal Paying Agent, the Italian Agent, Registrar and Transfer Agents are referred to together as the "**Agents**".

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means each original issue of Notes together with any further issues expressed to be consolidated and form a single series with the original issue and which have the same terms and conditions or terms and conditions which are the same in all respects save for the Issue Date, Issue Price, the amount and date of the first payment of interest thereon (if any) and/or the date from which interest (if any) starts to accrue and the expressions "**Notes of the relevant Series**" and "**Noteholders of the relevant Series**" and related expressions shall be construed accordingly.

The holders for the time being of the Notes ("**Noteholders**" or " **Holders**"), which expression shall, in relation to any Notes represented by a Global Note or any Italian Dematerialised Note, be construed as provided in Condition 1, the holders of the Coupons (as defined below) appertaining to interest-bearing definitive Bearer Notes (the "**Couponholders**"), the holders of the Talons (the "**Talontholders**") and the holders of the Receipts (the "**Receiptholders**") are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Note Agency Agreement and the applicable Final Terms, which are binding on them. Certain statements in these Terms and Conditions are summaries of, and are subject to, the detailed provisions of the Note Agency Agreement. Copies of the Note Agency Agreement (which contains the form of Final Terms) and the Final Terms for the Notes of this Series are available from the principal office of the Principal Paying Agent and the Paying Agents set out at the end of these Terms and Conditions.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of a deed of covenant (the "**Deed of Covenant**" which expression includes the same as it may be amended, supplemented and/or restated from time to time) dated on or around 10 June 2016 and made by the Issuers. The original of the Deed of Covenant is held by a common depository on behalf of Euroclear Bank SA/NV and Clearstream Banking, société anonyme, Luxembourg ("**Clearstream, Luxembourg**").

Subject as provided in the relevant Guarantee (as defined below), (i) where the Issuer is BNPP B.V., the obligations of BNPP B.V. with respect to physical delivery (if applicable) and/or the payment of amounts payable by BNPP B.V. are guaranteed by BNPP pursuant to the deed of Guarantee dated on or around 10 June 2016 (the "**BNPP Note Guarantee**"), and (ii) where the Issuer is BP2F, the obligations of BP2F with respect to physical delivery (if applicable) and/or the payment of amounts payable by BP2F are guaranteed by BNPPF pursuant to the deed of Guarantee dated on or around 10 June 2016 (the "**BNPPF Note Guarantee**" and together with the BNPP Note Guarantee, the "**Guarantees**" and each a "**Guarantee**").

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system (including without limitation, Monte Titoli, The Depository Trust Company and Euroclear France and the *Intermédiaires financiers habilités* authorised to maintain accounts therein (together, "**Euroclear France**")) approved by the Issuers and the Principal Paying Agent. Pursuant to the Article 83-bis and subsequent of the Italian legislative decree no. 58/1998 and the relevant implementing CONSOB and Bank of Italy Joint Regulation dated 22 February 2008, as amended and integrated by subsequent implementing provisions, all securities cleared through Monte Titoli are required to be in dematerialised form.

Words and expressions defined in the Note Agency Agreement or used in the applicable Final Terms (which term, as used herein, means, in relation to this Note, the Final Terms attached hereto or endorsed hereon or, as the case may be, applicable to such Notes shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

## 1. FORM, DENOMINATION, TITLE AND TRANSFER

### 1.1 Form, Denomination and Title

The Notes, other than Italian Dematerialised Notes, are in bearer form ("**Bearer Notes**") or registered form ("**Registered Notes**") issued in the Specified Currency and Specified Denomination(s) and definitive Notes will be serially numbered. Italian Dematerialised Notes will be issued in bearer (*al portatore*), uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy, or any successor clearing system thereto) ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions ("**Italian Dematerialised Notes**"). Italian Dematerialised Notes will not be issued in definitive form. However, the holder still has the right to obtain the release of the certificate pursuant to articles 83-*quinquies* and 83-*novies*, paragraph 1, letter b), of the Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions. This Note is, to the extent specified in the applicable Final Terms, a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Dual Currency Interest Note and/or a Note with interest linked to one or more, or a combination of, underlying reference asset(s) or basis(bases) (each an "**Underlying Reference(s)**") specified in the applicable Final Terms ("**Linked Interest Notes**") such as an Index Linked Interest Note, a Share Linked Interest Note, an Inflation Linked Interest Note, a Commodity Linked Interest Note, a Fund Linked Interest Note, an ETI Linked Interest Note, a Currency Linked Interest Note, a Debt Linked Interest Note, an Underlying Linked Interest Rate Note or (in the case of a combination of underlying reference assets or bases) a Hybrid Linked Interest Note or, subject to all applicable laws and regulations, any other type of Note depending on the Interest Basis specified in the applicable Final Terms. This Note may be an Index Linked Redemption Note (together with Index Linked Interest Notes, "**Index Securities**"), a Share Linked Redemption Note (together with Share Linked Interest Notes, "**Share Securities**"), an Inflation Linked Redemption Note (together with Inflation Linked Interest Notes, "**Inflation Index Securities**"), a Commodity Linked Redemption Note (together with Commodity Linked Interest Notes, "**Commodity Securities**"), a Fund Linked Redemption Note (together with Fund Linked Interest Notes, "**Fund Securities**"), a Credit Linked Redemption Note (a "**Credit Security**"), an ETI Linked Redemption Note (together with ETI Linked Interest Notes, "**ETI Securities**"), a Currency Linked Redemption Note (together with Currency Linked Interest Notes, "**Currency Securities**"), a Debt Linked Redemption Note (together with a Debt Linked Interest Note, "**Debt Securities**"), an Underlying Interest Rate Linked Redemption Note (together with an Underlying Linked Interest Rate Note, "**Underlying Interest Rate Securities**"), a Note with redemption linked to any combination of underlying reference assets or bases (a "**Hybrid Linked Redemption Note**" and together with a **Hybrid Linked Interest Note**, "**Hybrid Securities**"), an Instalment Note, a Partly Paid Note, a Dual Currency Redemption Note) or any combination thereof or, subject to all applicable laws and regulations, any other type of Note depending on the Redemption/Payment Basis specified in the applicable Final Terms. If it is a definitive Bearer Note, it is issued with coupons for the payment of interest ("**Coupons**") attached and, if applicable, talons for further Coupons ("**Talons**") attached unless it is a Zero Coupon Note in which case references to interest (other than in the case of late payment) and Coupons in these Terms and Conditions are not applicable. If it is a definitive Bearer Note Instalment Note it is issued with receipts ("**Receipts**") for the payment of instalments of principal prior to stated maturity attached. Except in the case of Italian Dematerialised Notes, any reference in these Terms and Conditions to Coupon(s), Couponholder(s) or coupon(s) shall, unless the context otherwise requires, be deemed to include a reference to Talon(s), Talonholder(s) or talon(s).

If the Notes are Hybrid Securities and Hybrid Securities is specified as applicable in the applicable Final Terms, the terms and conditions of the Notes will be construed on the basis that in respect of each separate type of Underlying Reference, the relevant terms applicable to each such separate type of Underlying Reference will apply, as the context admits, separately and independently in respect of the relevant type of

Underlying Reference, except as specified in the applicable Final Terms. "**Hybrid Business Day**" has the meaning given to such term in the applicable Final Terms.

Subject as set out below, title to the Bearer Notes, the Coupons and the Receipts will pass by delivery and title to Registered Notes and Italian Dematerialised Notes will pass upon registration of transfers in accordance with the provisions of the Note Agency Agreement. The holder of each Coupon or Receipt, whether or not such Coupon or Receipt is attached to a Bearer Note, in his capacity as such, shall be subject to and bound by all the provisions contained in the relevant Note. The Issuer, the Guarantor (if any) and any Paying Agent, to the extent permitted by applicable law, may deem and treat the bearer of any Bearer Note, Coupon or Receipt as the absolute owner thereof (whether or not such Bearer Note, Coupon or Receipt shall be overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Bearer Global Note, without prejudice to the provisions set out below.

The Issuer has appointed the Registrar at its office specified below to act as registrar of the Registered Notes. The Issuer shall cause to be kept at the specified office of the Registrar for the time being at 60 avenue J.F. Kennedy, L-1855 Luxembourg, a register (the "**Register**") on which shall be entered, *inter alia*, the name and address of the holder of the Registered Notes and particulars of all transfers of title to the Registered Notes.

For so long as any of the Notes is represented by a Bearer Global Note or a Registered Global Note (each as defined in Condition 1.2(f) below) held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (if any) and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor (if any) and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**Noteholders**" and related expressions shall be construed accordingly.

For so long as any of the Notes are represented by a Bearer Global Note or a Registered Global Note (each as defined in Condition 1.2(f) below) held by or on behalf of the HKMA as the operator of the CMU ("**CMU operator**"), each person for whose account interest in the relevant Bearer Global Note or Registered Global Note is credited as being held in the CMU, as notified by the CMU to the CMU Lodging Agent in a relevant CMU Instrument Position Report, or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error), shall be treated by the Issuer, the Guarantor (if any) and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "Noteholders" and related expressions shall be construed accordingly.

For so long as any of the Notes are represented by an Italian Dematerialised Note, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Notes (in which regard any certificate, record or other document issued by Monte Titoli as to the amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by applicable law) be treated for all purposes by the relevant Issuer, the Guarantor, if any, the Italian Agent and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Noteholder**" and related expressions shall be construed accordingly, except where Italian law is applicable, in which case "**Holder**" and "**Noteholder**" will be exclusively deemed to be

the beneficial owner of the Italian Dematerialised Notes). The Issuer shall cause Italian Dematerialised Notes to be dematerialised and centralised with Monte Titoli, pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, or the CMU or such other clearing system approved by the Issuers or the Principal Paying Agent.

Italian Dematerialised Notes are held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli account holders. Italian Dematerialised Notes will at all times be held in book entry form and title to the Italian Dematerialised Notes will be evidenced by book entries pursuant to the relevant provisions of Italian legislative decree no. 58/1998, as amended and integrated by subsequent implementing provisions, and in accordance with CONSOB and Bank of Italy Joint Regulation dated 22 February 2008, as amended and integrated by subsequent implementing provisions. The Noteholders may not require physical delivery of the Italian Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-*quinquies* of Italian legislative decree no. 58/1998, as amended and integrated by subsequent implementing provisions. Italian Dematerialised Notes will be transferable only in accordance with the rules and procedures for the time being of Monte Titoli. In particular, the transfer of the Italian Dematerialised Notes operates by way of registration in the accounts opened with Monte Titoli by the intermediaries adhering to the clearing system. As a consequence, the subject who from time to time is the owner of the account held with an intermediary adhering, directly or indirectly, to Monte Titoli, in which the Italian Dematerialised Notes are credited, is considered as the legitimate beneficial owner of the Italian Dematerialised Notes and is authorised to exercise all rights related to them.

The Notes will be settled by way of cash payment ("**Cash Settled Notes**" or "**Cash Settled Securities**") or, if Physical Settlement is specified as applicable in the applicable Final Terms, will be settled by physical delivery ("**Physical Delivery Notes**" or "**Physically Settled Securities**").

## 1.2 **Transfers of Registered Notes**

### (a) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear, Clearstream, Luxembourg or the CMU, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the Specified Denomination set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear, Clearstream, Luxembourg or the CMU, as the case may be and in accordance with the terms and conditions specified in the Note Agency Agreement.

### (b) Transfers of Registered Notes in definitive form

Subject as provided in paragraph (e) below, upon the terms and subject to the conditions set forth in the Note Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the

Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Note Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 5, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) Exchanges and transfers of Registered Notes generally

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time. Prior to expiry of the applicable Distribution Compliance Period (as defined below), transfers by the holder of, or of a beneficial interest in, a Global Note may be made to a transferee in the United States or who is a U.S. person under Regulation S (or for the account or benefit of such person) only pursuant to an exemption from the registration requirements of the Securities Act.

(f) Definitions

In this Condition, the following expressions shall have the following meanings:

**"Bearer Global Note"** means a global note (temporary or permanent) in bearer form;

**"CFTC"** means the Commodity Futures Trading Commission;

**"CMU"** or **"CMU Service"** means the Central Moneymarkets Unit Service (or any lawful successor thereto), being the book-entry clearing system operated by the HKMA;

**"CMU Instrument Position Report"** means the instrument position report showing the aggregate nominal value of the instrument specified therein held by CMU Members in the CMU securities accounts, as prepared from time to time by the CMU, and provided to the relevant paying agent of such instrument, in the form shown in Appendix E.2 of the CMU Manual;

**"CMU Lodging Agent"** shall be as specified in the relevant Final Terms;

"**CMU Manual**" means the reference manual relating to the operation of the CMU Service issued by the HKMA to CMU Members, as amended from time to time;

"**CMU Member**" means any member of the CMU Service;

"**CMU Rules**" means all requirements of the CMU Service for the time being applicable to a CMU Member and includes (a) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU Service and the CMU Manual; (b) all the operating procedures as set out in the CMU Manual for the time being in force in so far as such procedures are applicable to a CMU Member; and (c) any directions for the time being in force and applicable to a CMU Member given by the HKMA through any operational circulars or pursuant to any provision of its membership agreement with the HKMA or the CMU Manual;

"**Commodity Exchange Act**" means the United States Commodity Exchange Act of 1936, as amended;

"**Distribution Compliance Period**" means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as determined and certified by the relevant Lead Manager (in the case of a syndicated issue);

"**HKMA**" means the Hong Kong Monetary Authority, the government authority in Hong Kong with responsibility for maintaining currency and banking stability, or any lawful successor thereto;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Registered Global Note**" means a global note in registered form;

"**Regulation S**" means Regulation S under the Securities Act.

"**Securities Act**" means the United States Securities Act of 1933, as amended; and

"**U.S. person**" means a person who is (i) a "U.S. person" as defined in Regulation S under the Securities Act; or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act.

## 2. STATUS OF THE NOTES AND THE GUARANTEE

### 2.1 Status

#### (a) Notes issued by BNPP B.V.

If the Notes are issued by BNPP B.V., the Notes and (if applicable) the relative Coupons are direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and at least *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Issuer (save for statutorily preferred exceptions).

#### (b) Notes issued by BP2F

If the Notes are issued by BP2F, the Notes and (if applicable) the relative Coupons constitute direct, unconditional, unsubordinated and unsecured and general obligations of the Issuer and rank *pari passu* (subject to mandatorily preferred debts under applicable laws) without any preference among themselves and at least

equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations, including guarantees and other obligations of a similar nature of the Issuer.

## 2.2 Status and terms of the Guarantees

### (a) BNPP Note Guarantee

The obligations of BNPP under the BNPP Note Guarantee are direct, unconditional, unsecured and unsubordinated obligations of the Guarantor and rank and will rank *pari passu* among themselves and at least *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Guarantor (save for statutorily preferred exceptions).

### (b) BNPPF Note Guarantee

The Guarantee of BNPPF constitutes direct, unconditional, irrevocable, unsubordinated and unsecured obligations of the Guarantor and ranks *pari passu* (subject to mandatorily preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.

### (c) Terms of Guarantees

Subject as provided below and in the relevant Guarantee, the relevant Guarantor has unconditionally and irrevocably (a) guaranteed to each Noteholder all obligations of the relevant Issuer in respect of such Notes as and when such obligations become due, and (b) agreed that if and each time that the Issuer fails to satisfy any obligations under such Notes as and when such obligations become due, the relevant Guarantor will after a demand has been made on the relevant Guarantor (without requiring the relevant Noteholder first to take steps against the Issuer or any other person) make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though the relevant Guarantor were the principal obligor in respect of such obligations, provided that in the case of Notes (other than Credit Securities) where the obligations of the relevant Issuer which fall to be satisfied by the relevant Guarantor constitute the delivery of the Entitlement to the holders of such Notes if such delivery is not practicable by reason of (x) a Settlement Disruption Event (as defined in Condition 4(b)(i)(E)) or (y) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 4(b)(i)(F)), in lieu of such delivery the relevant Guarantor will make payment in respect of each such Note of, in the case of (x) above, the Disruption Cash Redemption Amount (as defined in Condition 4(b)(i)(E)) or in the case of (y) above, the Failure to Deliver Redemption Amount (as defined in Condition 4(b)(i)(F)). Any payment of the Disruption Cash Redemption Amount or the Failure to Deliver Redemption Amount, as the case may be, in respect of a Note shall constitute a complete discharge of the relevant Guarantor's obligations in respect of the delivery of the Relevant Assets affected by the Settlement Disruption Event or Failure to Deliver due to Illiquidity, as the case may be.

## 2.3 Waiver of Set-Off

Where the Issuer is BNPP B.V., unless Waiver of Set-Off is specified as not applicable in the applicable Final Terms, and subject to applicable law, no Holder may exercise or claim any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer (or, if applicable, the Guarantor) arising under or in connection with the Securities and each Holder shall, by virtue of being the holder of any Security, be deemed to have waived to the extent permitted by applicable law all such rights of set-off, compensation and retention in respect of such Securities, both before and during any winding-up, liquidation or administration of the Issuer (or, if applicable, the Guarantor). Notwithstanding the provisions of the foregoing sentence, if any of the said rights and claims of any Holder against the Issuer (or, if applicable, the Guarantor) is discharged by set-off, compensation or retention, such Holder will immediately pay an amount equal to the amount of such discharge

to the Issuer (or, if applicable, the Guarantor) or, in the event of winding-up or administration of the Issuer (or, if applicable, the Guarantor), the liquidator or, as applicable, the administrator of the Issuer (or, if applicable, the Guarantor).

### **3. INTEREST**

#### **3.1 Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will accrue in respect of each Interest Period (which expressions shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date. If an Interest Payment Date falls after the Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date. If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically corresponding day in the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (b) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be shall be brought forward to the immediately preceding Business Day; or
- (c) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

If no Business Day Convention is specified as applicable to an Interest Period End Date in the applicable Final Terms and the Notes are in definitive form:

- (i) the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Final Date in respect of such Interest Period, will amount to the Fixed Coupon Amount; and
- (ii) the amount of interest payable on any other Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Interest shall be calculated by applying the Rate of Interest to: (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount; or (C) in the case of Fixed Rate Notes which are represented by Italian Dematerialised Notes, the aggregate outstanding nominal amount of such Italian Dematerialised Notes, multiplying such sum by the applicable Day Count Fraction, rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, and, in the case of Dual Currency

Interest Notes, converting the resulting figure into the Settlement Currency as provided in Condition 3.14 below.

Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of Interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

### 3.2 **Interest on Floating Rate Notes**

#### (a) Interest Period End Dates and Interest Payment Dates

Each Floating Rate Note bears interest on its nominal amount (or, if it is a Partly Paid Note, in accordance with Condition 3.11) or pays interest in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 3.2 "**Interest Period End Date**" shall mean either:

- (i) the specified Interest Period End Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date. If an Interest Payment Date falls after an Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date.

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically corresponding day in the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) In any case where Specified Periods are specified in accordance with Condition 3.2(a)(ii) above, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (aa) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (bb) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or

- (B) The Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (C) The Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (D) The Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(c) Determination of Rate of Interest and Calculation of Interest Amount

The Principal Paying Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up);
- (ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount; or
- (iii) in the case of Floating Rate Notes which are represented by Italian Dematerialised Notes, the aggregate outstanding nominal amount of such Italian Dematerialised Notes,

in each case, multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (as defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with applicable market convention and, in the case of Dual Currency Interest Notes, converting the resulting figure into the Settlement Currency as provided in Condition 3.14 below. Where the Specified Denomination of a Floating Rate Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(d) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms), the FBF Rate (if specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is

specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**"Designated Maturity"** means (i) in relation to Screen Rate Determination, the period of time designated in the Reference Rate or (ii) in relation to FBF Determination, the period of time specified in the relevant FBF Rate.

### 3.3 Interest on Linked Interest Notes

#### (a) Interest Period End Dates and Interest Payment Dates

Each Linked Interest Note bears interest on its nominal amount (or, if it is a Partly Paid Note, in accordance with Condition 3.11) or pays interest in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the **"Interest Period End Final Date"** for the relevant Interest Period)). For the purposes of this Condition 3.3 **"Interest Period End Date"** shall mean either:

- (i) the specified Interest Period End Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date. If an Interest Payment Date falls after an Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date.

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (x) if there is no numerically corresponding day in the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (y) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) In any case where Specified Periods are specified in accordance with Condition 3.3(a)(ii) above, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (aa) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (bb) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or

- (B) The Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (C) The Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (D) The Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Linked Interest Notes will be the Coupon Rate determined in the manner specified in the applicable Final Terms which Coupon Rate may comprise one or more Additional Coupons determined in the manner specified in the applicable Final Terms.

(c) Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. The Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up);
- (ii) in the case of Linked Interest Notes in definitive form, the Calculation Amount; or
- (iii) in the case of Linked Interest Notes which are represented by Italian Dematerialised Notes, the aggregate outstanding nominal amount of such Italian Dematerialised Notes,

in each case, multiplying such sum by the Day Count Fraction (if any) specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (as defined above) of the relevant Specified Currency, one half of such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and, in the case of Dual Currency Interest Notes, converting the resulting figure into the Settlement Currency as provided in Condition 3.14 below. Where the Specified Denomination of a Linked Interest Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

### 3.4 ISDA, FBF and Screen Rate Determination

(a) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which a Rate of Interest or Rate, as applicable, is to be determined, such Rate of Interest or Rate, as the case may be, for each

Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (a), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

- (i) the Floating Rate Option is as specified in the applicable Final Terms;
- (ii) the Designated Maturity is a period specified in the applicable Final Terms; and
- (iii) the relevant Reset Date is either (x) if the applicable Floating Rate Option is based on the London interbank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**") for a currency, the first day of that Interest Period or (y) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (a), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(b) FBF Determination

Where so specified in the applicable Final Terms, interest will be payable on such dates, at such a rate (the "**FBF Rate**") and in such amounts, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master Agreement relating to foreign exchange and derivatives transactions (an "**FBF Agreement**"), as in effect on the date of issue of the Notes, published by the *Association Française des Banques/Fédération Bancaire Française* and evidenced by a Confirmation (as defined in the FBF Agreement) with the holder of the relevant Note under which:

- (i) the Issuer was the Floating Amount Payer;
- (ii) the Principal Paying Agent (as defined herein) was the Agent (as defined in the FBF Agreement) or as otherwise specified in the applicable Final Terms;
- (iii) the Interest Commencement Date was the Transaction Date;
- (iv) the lowest Specified Denomination was the Notional Amount;
- (v) the Interest Payment Dates were the Floating Amount Payment Dates; and
- (vi) all other terms were as specified in the applicable Final Terms.

When the preceding sentence applies, in respect of each relevant Interest Payment Date:

- (A) the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under sub-conditions 3.2(c) or 3.3(c) above, as applicable;
- (B) the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the FBF Agreement) determined by the Principal Paying Agent in accordance with the preceding sentence; and

(C) the Principal Paying Agent or Calculation Agent, as applicable, will be deemed to have discharged its obligations under sub-conditions 3.2(c) or 3.3(c) above, as applicable, if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(c) Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which a Rate of Interest or Rate is to be determined, such Rate of Interest or Rate, as the case may be, for each Interest Period will, subject as provided below, be either:

- (i) the offered quotation; or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Note Agency Agreement contains provisions for determining the Rate of Interest or Rate in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the Specified Time indicated above or in the applicable Final Terms.

If the Reference Rate from time to time is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest or Rate in respect of such Notes will be determined as provided in the applicable Final Terms.

3.5 **Minimum and/or Maximum Interest Rate**

If the applicable Final Terms specifies a Minimum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 3.2(b), 3.2(d), 3.3(b) or 3.4 (as appropriate) is less than such Minimum Interest Rate, the Rate of Interest for such Interest Period shall be such Minimum Interest Rate.

If the applicable Final Terms specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 3.2(b), 3.2(d), 3.3(b) or 3.4 (as appropriate) is greater than such Maximum Interest Rate, the Rate of Interest for such Interest Period shall be such Maximum Interest Rate.

3.6 **Notification of Rate of Interest and Interest Amount**

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor (if applicable) (such notifications to occur no later than the Business Day following such determination), (in the case of Notes

which are listed on Euronext Paris or on the Official List of the Luxembourg Stock Exchange and the rules of such stock exchange so require) Euronext Paris or the Luxembourg Stock Exchange, as applicable and, if applicable, to any other stock exchange on which the relevant Notes are for the time being listed. In addition, the Principal Paying Agent (except where the relevant Notes are unlisted and are in global form and held in their entirety on behalf of Euroclear, Clearstream, Luxembourg or the CMU, as the case may be in which event there may be substituted for such publication the delivery of such notice to Euroclear, Clearstream, Luxembourg or the CMU Lodging Agent, as the case may be for communication to the holders of the Notes) shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 17 as soon as possible after their determination but in no event later than the fourth Luxembourg Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Notes are for the time being listed and to the Noteholders in accordance with Condition 17. For the purposes of these Conditions, the expression "**Luxembourg Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Luxembourg.

### 3.7 **Certificates to be Final**

All certificates, communications, determinations, calculations and decisions made for the purposes of the provisions of Conditions 3.2 to 3.6 and/or Condition 3.13, by the Principal Paying Agent or, if applicable, Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Principal Paying Agent, the other Paying Agents, or, if applicable, the Calculation Agent and all Noteholders, and (in the absence as aforesaid) no liability to the Noteholders shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

### 3.8 **Other definitions**

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in U.S. government securities.

### 3.9 **Zero Coupon Notes**

Where a Zero Coupon Note becomes due and repayable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the amount determined in accordance with Condition 5.5 at its Amortised Face Amount. As from the Maturity Date, any overdue principal of such Note shall bear interest at a rate per annum equal to the Accrual Yield specified in the applicable Final Terms. Such interest shall continue to accrue (as well after as before any judgment) until the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note. Such interest will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and in the case of an incomplete month the actual number of days elapsed in such incomplete month.

### 3.10 **Coupon Switch**

If Coupon Switch is specified as applicable in the applicable Final Terms:

- (i) if Coupon Switch Election is specified as applicable in the applicable Final Terms, the Issuer may elect that the Rate of Interest for the Notes will be amended (a "**Coupon Switch**") from the Pre-Switch Coupon specified in the applicable Final Terms to the Post-Switch Coupon specified in the applicable Final Terms on and after the Coupon Switch Date; or

- (ii) if Automatic Coupon Switch is specified as applicable in the applicable Final Terms and an Automatic Coupon Switch Event occurs, the Rate of Interest for the Notes will be amended (a "**Coupon Switch**") from the Pre-Switch Coupon specified in the applicable Final Terms to the Post-Switch Coupon specified in the applicable Final Terms on and after the Coupon Switch Date immediately following the SPS ACS Valuation Date or SPS ACS Valuation Period, as applicable, on which the Automatic Coupon Switch Event occurs.

If Additional Switch Coupon is specified as applicable in the applicable Final Terms, following the occurrence of a Coupon Switch, an Additional Switch Coupon Amount will be payable on the Additional Switch Coupon Payment Date. The "**Additional Switch Coupon Amount**" in respect of each nominal amount of Notes equal to the Calculation Amount will be the amount specified as such in the applicable Final Terms. For the purposes of Conditions 1.1, 4 and 14 Additional Switch Coupon Amount shall be deemed to be interest. For the avoidance of doubt, the Additional Switch Coupon Amount will only be paid on the single Additional Switch Coupon Payment Date.

Notice of any Coupon Switch will be given to Noteholders in accordance with Condition 17.

"**Additional Switch Coupon Payment Date**" means the date specified as such in the applicable Final Terms, which such date must be an Interest Payment Date;

"**Automatic Coupon Switch Event**" means that the SPS ACS Value is (a) "greater than", (b) "equal to or greater than", (c) "less than" or (d) "less than or equal to", as specified in the applicable Final Terms, the Automatic Coupon Switch Level, (x) on a SPS ACS Valuation Date or (y) in respect of a SPS ACS Valuation Period, as specified in the applicable Final Terms;

"**Automatic Coupon Switch Level**" means the number, amount, level or percentage specified as such in the applicable Final Terms;

"**Coupon Switch Date**" means each date specified as such or determined pursuant to the provisions in the applicable Final Terms;

"**SPS ACS Value**" means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**SPS ACS Valuation Date**" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**SPS ACS Valuation Period**" means each period specific as such in the applicable Final Terms.

### 3.11 **Interest on Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes) interest will accrue as aforesaid on the paid-up nominal amount of such Notes.

### 3.12 **Interest Payments**

Interest will be paid subject to and in accordance with the provisions of Condition 4. Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption thereof unless such Note is redeemed early. If such Note is redeemed early (i) if the applicable Final Terms specify that Accrual to Redemption is applicable, interest will cease to accrue on the due date for redemption or (ii) if the applicable Final Terms specify that Accrual to Redemption is not applicable, no interest shall accrue or be payable in respect of which the relevant Interest Payment Date has not occurred on or prior to the due date for redemption of such Note. If the payment of principal or the payment,

and/or delivery of the Entitlement (if applicable), is improperly withheld or refused, interest will continue to accrue (as well after as before any judgment) at the Fixed Rate or, as the case may be, the Rate of Interest or as otherwise provided in the applicable Final Terms until whichever is the earlier of (i) the day on which all sums due and/or assets deliverable in respect of such Note up to that day are received by or on behalf of the holder of such Note and (ii) the day on which the Principal Paying Agent or any agent appointed by the Issuer to deliver such assets to Noteholders has notified the holder thereof (either in accordance with Condition 17 or individually) of receipt of all sums due and/or assets deliverable in respect thereof up to that date.

Provided that in the case of Credit Securities, these provisions shall be subject to the provisions contained in Annex 12 – "Additional Terms and Conditions for Credit Securities".

### 3.13 **Definitions**

In these Terms and Conditions:

**"Business Day"** means a day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (b) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open; and
- (c) either (A) in relation to any sum payable in a Settlement Currency other than euro or CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Settlement Currency (any such centre, an "**Additional Business Centre**" and which, if the Settlement Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) (and where the Notes are Italian Dematerialised Notes, a day on which Monte Titoli is open for business), or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open (and where the Notes are Italian Dematerialised Notes, a day on which Monte Titoli is open for business) or (C) in relation to any sum payable in CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the CNY Settlement Centre(s).

**"Calculation Period"** means each Interest Period, AER Calculation Period, FR Calculation Period, Call Calculation Period or Put Calculation Period, as applicable.

**"Day Count Fraction"** means, in respect of the calculation of a rate or an amount of interest for any Calculation Period:

- (a) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:
  - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (x) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
  - (y) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates that would occur in one calendar year;

**"Determination Date(s)"** means the date(s) specified in the applicable Final Terms;

**"Determination Period"** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Period End Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

- (b) if **"Actual/Actual (ISDA)"** or **"Actual/Actual"** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (d) if **"Actual/365 (Sterling)"** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of a Calculation Period ending in a leap year, 366;
- (e) if **"Actual/360"** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (f) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31 in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day expressed as a number immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (g) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31 in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (h) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 in which case D<sub>2</sub> will be 30.

### 3.14 **Dual Currency Interest Notes**

If the Notes are specified in the applicable Final Terms as Dual Currency Interest Notes, the amount of interest calculated in respect of any Interest Payment Date is not an amount in the Settlement Currency, it will be converted into the Settlement Currency at the Specified Exchange Rate specified in the applicable Final Terms or, if no Specified Exchange Rate is specified, the Settlement Currency Exchange Rate on the relevant Settlement Currency Exchange Rate Observation Date.

Any reference to "interest" in this Condition 3.14 shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 6.

## 4. **PAYMENTS, PHYSICAL DELIVERY AND EXCHANGE OF TALONS**

For the purposes of this Condition 4, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions shall, where the context so admits, be deemed also to refer to delivery of any Entitlement(s).

### (a) ***Method of Payment***

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg, the CMU 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 principal amount of the Notes held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the 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 (i) (in the case of payment in a Settlement Currency other than euro or CNY) a bank in the principal financial centre of the country of such Settlement Currency; (ii) (in the case of a payment in euro) any bank which processes payments in euro; and (iii) (in the case of a payment in CNY) in the CNY Settlement Centre(s).

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the 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 Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg, the CMU 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 Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note. Notwithstanding anything to the contrary in this paragraph, payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note denominated in CNY (whether or not in global form) will be made solely by transfer to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg or the CMU 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.

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

Neither the Issuer, the Guarantor (if applicable) nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal and interest (if any) in respect of the definitive Bearer Notes will (subject as provided below) be made against presentation or surrender of such Bearer Notes or Coupons, as the case may be, at any specified office of any Paying Agent. Payments of principal in respect of instalments (if any), other than the last instalment, will (subject as provided below) be made against surrender of the relevant Receipt. Payment of the last instalment will be made against surrender of the relevant Bearer Note. Each Receipt must be presented for payment of such instalment together with the relevant definitive Bearer Note against which the amount will be payable in respect of that instalment. If any definitive Bearer Notes are redeemed or become repayable prior to the Maturity Date in respect thereof, principal will be payable on surrender of each such Note together with all unmatured Receipts appertaining thereto. Unmatured Receipts and Receipts presented without the definitive Bearer Notes to which they appertain do not constitute obligations of the Issuer. All payments of interest and principal with respect to Bearer Notes will be made only against presentation and surrender of the relevant Bearer Notes, Coupons or Receipts outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)) except as otherwise provided in the third succeeding paragraph. No payments with respect to the Bearer Notes will be made by mail to an address in the United States or by transfer to an account maintained by the holder in the United States.

Subject as provided below, payments in respect of definitive Notes (other than Currency Securities) denominated in a Specified Currency (other than euro or CNY) or, in the case of Currency Securities, payable in a Settlement Currency (other than euro or CNY) will (subject as provided below) be made by a cheque in the Settlement Currency drawn on, or, at the option of the holder and upon 15 days' prior notice to the Principal Paying Agent, by transfer to an account in the Settlement Currency maintained by the payee with, a bank in the principal financial centre of the country of the Settlement Currency. Payments in euro will be made by credit or transfer to a euro account or any other account to which euro may be credited or transferred specified by the payee or, at the option of the payee, by euro-cheque. Payments in CNY will be made by credit or transfer to a CNY account within the CNY Settlement Centre(s) unless otherwise specified in the applicable Final Terms.

Payments of principal and interest (if any) in respect of the Notes represented by Italian Dematerialised Notes will be credited, according to the instructions of Monte Titoli, by the Italian Agent on behalf of the relevant Issuer or the Guarantor, as applicable, to the accounts of those intermediaries adhering to the clearing system whose accounts with Monte Titoli are credited with those Italian Dematerialised Notes and thereafter credited by intermediaries adhering to the clearing system from such aforementioned accounts to the accounts of the beneficial owners of those Italian Dematerialised Notes. The relevant Issuer or the Guarantor, as applicable, will be discharged by payment to, or to the order of, Monte Titoli in respect of the amount so paid. Each of the persons shown in the records of Monte Titoli as the holder of a particular amount of the Italian Dematerialised Notes must look solely to Monte Titoli for his share of each such payment so made to, or to the order of, Monte Titoli.

The applicable Final Terms may also contain provisions for variation of settlement where, for reasons beyond the control of the Issuer or any Noteholder (including, without limitation, unlawfulness, illegality, impossibility, *force majeure*, non-transferability or the like, each a "**Payment Disruption Event**"), the Issuer is not able to make, or any Noteholder is not able to receive, as the case may be, payment on the due date and in the Settlement Currency of any amount of principal or interest due under the Notes.

If the applicable Final Terms specify "CNY Payment Disruption Event" to be applicable, in the event that the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, that a CNY Payment Disruption Event has occurred or is likely to occur and that such CNY Payment Disruption Event is material in relation to the Issuer's payment obligations under the Notes in respect of any forthcoming Interest Payment Date, Maturity Date or other date on which any amount in respect of the Notes shall be due and payable (each such date, an "**Affected Payment Date**"), then the Calculation Agent shall notify Noteholders as soon as practicable of the occurrence of such CNY Payment Disruption Event in accordance with Condition 17.

(I) If the applicable Final Terms specify that "CNY Payment Disruption Event" is applicable to the Notes, upon the occurrence of a CNY Payment Disruption Event:

(i) *Postponement*

If the applicable Final Terms specify "Postponement" to be applicable in respect of the Notes, then the Affected Payment Date shall be postponed until the earlier of (A) the second Business Day following the day on which such CNY Payment Disruption Event ceases to exist, and (B) the date falling 14 calendar days following the original date on which the Affected Payment Date was scheduled to fall (the "**CNY Payment Disruption Cut-off Date**") and notice thereof shall be given to the relevant Noteholders in accordance with Condition 17. For the avoidance of doubt, no amount of interest shall be payable in respect

of any delay in payment of any amount(s) due to the adjustment of any Affected Payment Date.

In the event that, pursuant to the preceding paragraph, the Affected Payment Date is adjusted to fall on the CNY Payment Disruption Cut-off Date and the Calculation Agent determines that a CNY Payment Disruption Event still exists on such day, then the Issuer shall make payment of the Equivalent Amount of the relevant Interest Amount, Final Redemption Amount or such other amount payable (if applicable) on the CNY Payment Disruption Cut-off Date and notice thereof shall be given to the relevant Noteholders in accordance with Condition 17. Any such payment made by the Issuer on the CNY Payment Disruption Cut-off Date shall be in full and final settlement of its obligations to pay such amount in respect of the Notes.

(ii) *Payment of Equivalent Amount*

If the applicable Final Terms specify "Payment of Equivalent Amount" to be applicable in respect of the Notes, the Issuer shall, upon giving notice prior to the relevant Affected Payment Date to the Noteholders in accordance with Condition 17, make payment of the Equivalent Amount of the relevant Interest Amount, Final Redemption Amount or such other amount payable (if applicable) on the relevant Affected Payment Date. Any such payment made by the Issuer on an Affected Payment Date shall be in full and final settlement of its obligations to pay such amount in respect of the Notes.

(iii) For these purposes:

"**CNY**" means Chinese Yuan or Renminbi, the lawful currency of the People's Republic of China (including any lawful successor currency to the CNY).

"**CNY Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the People's Republic of China, Hong Kong and any other CNY Settlement Centre(s).

"**CNY Payment Disruption Event**" means the occurrence of any of the following events:

- (A) an event which makes it impossible (where it had previously been possible) or impractical for the Issuer to convert any amounts due and payable in CNY under the Notes into or from the Equivalent Amount Settlement Currency in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a "**CNY Inconvertibility Event**"). For the avoidance of doubt, the inability of the Issuer to convert CNY solely due to issues relating to its creditworthiness shall not constitute a CNY Inconvertibility Event;
- (B) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to deliver (i) CNY between accounts inside the relevant CNY Settlement Centre(s), or (ii) from an account inside the relevant CNY

Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) (including, if applicable, to another CNY Settlement Centre) and outside Mainland China, or (iii) from an account outside the relevant CNY Settlement Centre(s) (including, if applicable, from an account inside another CNY Settlement Centre) and outside Mainland China to an account inside the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a "**CNY Non-Transferability Event**"). For the purposes of determining whether a CNY Non-Transferability Event has occurred only, a segregated CNY fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong; and

- (C) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to obtain a firm quote of an offer price in respect of any amounts due and payable in CNY under the Notes (either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such amount) in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s) in order to perform its obligations under the Notes (a "**CNY Illiquidity Event**"). For the avoidance of doubt, the inability of the Issuer to obtain such firm quote solely due to issues relating to its creditworthiness shall not constitute a CNY Illiquidity Event.

"**CNY Settlement Centre**" means the financial centre(s) specified as such in the applicable Final Terms in accordance with applicable laws and regulations. If no CNY Settlement Centre is specified in the relevant Final Terms, the CNY Settlement Centre shall be deemed to be Hong Kong.

"**Equivalent Amount**" means, following the occurrence of a CNY Payment Disruption Event and in respect of the relevant Interest Amount, Final Redemption Amount or such other amount payable (if applicable) on the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be (for these purposes, the "**Relevant CNY Amount**"), an amount in the Equivalent Amount Settlement Currency determined by the Calculation Agent (acting in good faith and in a commercially reasonable manner), by converting the Relevant CNY Amount into the Equivalent Amount Settlement Currency using the Equivalent Amount Settlement Price for the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be.

"**Equivalent Amount Settlement Currency**" means the currency specified as such in the applicable Final Terms.

"**Equivalent Amount Settlement Price**" means, in respect of any relevant day, the spot rate of exchange between CNY and the Equivalent Amount Settlement Currency on such day, appearing on the Equivalent Amount Settlement Price Source at the Equivalent Amount Settlement Valuation Time on such day (expressed as a number of units (or part units) of CNY for which one unit of the Equivalent Amount Settlement Currency can be exchanged), or if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer CNY/Equivalent Amount Settlement Currency

exchange rates provided by two or more leading dealers on a foreign exchange market (as selected by the Calculation Agent) at the Equivalent Amount Settlement Valuation Time on such day. If less than two leading dealers provide the Calculation Agent with bid and offer CNY/Equivalent Amount Settlement Currency exchange rates on such day, the Calculation Agent shall determine the Equivalent Amount Settlement Price acting in good faith and in a commercially reasonable manner.

**"Equivalent Amount Settlement Price Source"** means the price source specified in the applicable Final Terms.

**"Equivalent Amount Settlement Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time at which the Equivalent Amount Settlement Price Source publishes the Equivalent Amount Settlement Price.

**"impossible"** or **"impossibility"** in relation to a CNY Payment Disruption Event, shall include (but shall not be limited to) any act which, if done or performed by the Issuer (or any affiliate of the Issuer) would be or result in the breach of any applicable law, rule, or regulation.

**"impractical"** or **"impracticality"** means, in relation to a CNY Payment Disruption Event and in respect of any action to be taken by the Issuer, that the Issuer (or any of its affiliates) would incur a materially increased amount of taxes, duties, expenses or fees (as compared with circumstances existing on the Trade Date) to perform such action.

- (II) If the Settlement Currency specified in the applicable Final Terms is a Relevant Currency, FX Settlement Disruption will apply, and:
- (i) If, on the second Business Day prior to the Disrupted Payment Date, the Calculation Agent (acting in good faith and in a commercially reasonable manner) determines that a FX Settlement Disruption Event has occurred and is subsisting, the Issuer shall give notice (a **"FX Settlement Disruption Notice"**) to the Noteholders in accordance with Condition 16 as soon as reasonably practicable thereafter and, in any event, prior to the relevant Disrupted Payment Date.
  - (ii) Following the occurrence of a FX Settlement Disruption Event:
    - (A) the date for payment of the relevant Disrupted Amount will be postponed to (i) the second Business Day following the date on which the Calculation Agent determines that a FX Settlement Disruption Event is no longer subsisting or if earlier (ii) the date falling thirty calendar days following the scheduled due date for payment of the relevant Disrupted Amount (the **"FX Settlement Disruption Cut-off Date"**) which, for the avoidance of doubt, may be later than the scheduled Maturity Date; and
    - (B) (i) in the case of (A)(i) above, the Issuer will pay the relevant Disrupted Amount, less (except in the case of Italian Listed Notes) FX Settlement Disruption Expenses (if any), in the Settlement Currency specified in the applicable Final Terms or, (ii) in the case of (A)(ii) above, in lieu of paying the relevant Disrupted Amount in the relevant Settlement Currency, the Issuer will, subject to sub-paragraph (iii) below, convert the relevant Disrupted Amount into the FX Settlement Disruption Currency (using the FX Settlement Disruption Exchange Rate for the relevant Disrupted Payment Date) and will pay the relevant Disrupted Amount, less (except in the case

of Italian Listed Notes) FX Settlement Disruption Expenses (if any), in the FX Settlement Disruption Currency on the FX Settlement Disruption Cut-off Date.

- (iii) If sub-paragraph (ii)(A)(ii) applies, the Calculation Agent will determine the FX Settlement Disruption Exchange Rate acting in good faith and in a commercially reasonable manner in accordance with the following procedures:
  - (A) the FX Settlement Disruption Exchange Rate shall be the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Settlement Currency/FX Settlement Disruption Currency exchange rates provided by two or more leading dealers on a foreign exchange market (as selected by the Calculation Agent) on such day; or
  - (B) if fewer than two leading dealers provide the Calculation Agent with bid and offer Settlement Currency/FX Settlement Disruption Currency exchange rates on such day, the Calculation Agent shall determine the FX Settlement Disruption Exchange Rate acting in good faith and in a commercially reasonable manner.
- (iv) This Condition 4(a)(II) shall not apply to Dual Currency Notes.
- (v) For the avoidance of doubt, no Interest Period will be adjusted as a result of the postponement of any interest payment pursuant to this Condition 4(a)(II), and no additional interest will be paid in respect of any postponement of the date for payment.
- (vi) For the avoidance of doubt, nothing contained in this Condition 4(a)(II) shall prevent the Issuer from determining that an Additional Disruption Event and/or Optional Additional Disruption Event has occurred, in which case, the provisions of Condition 9 shall prevail in the event of any conflict between this Condition 4(a)(II) and Condition 9.
- (vii) For these purposes:

**"Disrupted Amount"** means the relevant Interest Amount, Final Redemption Amount or such other amount payable (if any);

**"Disrupted Payment Date"** means the due date for payment of the relevant Interest Amount, Final Redemption Amount or such other amount payable (if any);

**"FX Settlement Disruption Currency"** means USD;

**"FX Settlement Disruption Event"** means the occurrence of an event which makes it unlawful, impossible or otherwise impracticable to pay any Disrupted Amount in the Settlement Currency on the scheduled due date for payment;

**"FX Settlement Disruption Exchange Rate"** means the rate of exchange between the Settlement Currency (as specified in the applicable Final Terms) and the FX Settlement Disruption Currency, determined by the Calculation Agent in accordance with the provisions of sub-paragraph (iii) above;

**"FX Settlement Disruption Expenses"** means the sum of (i) the cost to the Issuer and/or its Affiliates of unwinding any hedging arrangements related to the Securities and (ii) any transaction, settlement or other costs and expenses arising directly out of the occurrence of a FX Settlement Disruption Event or the related payment of the Disrupted Amount, all as

determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and

**"Relevant Currency"** means each of Emirati Dirhams ("**AED**"), Argentinian Pesos ("**ARS**"), Australian Dollars ("**AUD**"), Bermudan Dollars ("**BMD**"), Bulgarian Leva ("**BGN**"), Bahraini Dinars ("**BHD**"), Botswana Pula ("**BWP**"), Brazilian Reais ("**BRL**"), Canadian Dollars ("**CAD**"), Swiss Francs ("**CHF**"), Chilean Pesos ("**CLP**"), Czech Republic Korun ("**CZK**"), Danish Kroner ("**DKK**"), Great British Pounds ("**GBP**"), Ghanaian Cedis ("**GHS**"), Hong Kong Dollars ("**HKD**"), Croatian Kuna ("**KRJ**"), Hungarian Forints ("**HUF**"), Indonesian Rupiah ("**IDR**"), Israeli Shekels ("**ILS**"), Icelandic Krónur ("**ISK**"), Jordanian Dinars ("**JOD**"), Japanese Yen ("**JPY**"), Kenyan Shillings ("**KES**"), Kuwaiti Dinars ("**KWD**"), Kazakhstani Tenges ("**KZT**"), Lebanese Pounds ("**LBP**"), Moroccan Dirhams ("**MAD**"), Mauritian Rupees ("**MUR**"), Mexican Pesos ("**MXN**"), Malaysian Ringgits ("**MYR**"), Namibian Dollars ("**NAD**"), Nigerian Naira ("**NGN**"), Norwegian Kroner ("**NOK**"), New Zealand Dollars ("**NZD**"), Omani Riyals ("**OMR**"), Peruvian Nuevos Soles ("**PEN**"), Philippine Pesos ("**PHP**"), Polish Zloty ("**PLN**"), Qatari Riyals ("**QAR**"), Romanian Lei ("**RON**"), Russian Roubles ("**RUB**"), Saudi Riyals ("**SAR**"), Swedish Kronor ("**SEK**"), Singaporean Dollars ("**SGD**"), Thai Baht ("**THB**"), Tunisian Dinars ("**TND**"), Turkish Lire ("**TRY**") and South African Rand ("**ZAR**").

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will be made in the manner specified above and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside of the United States. A record of each payment made on such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which such Global Note is presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

Notwithstanding the foregoing, payments in respect of Bearer Notes denominated and payable in U.S. dollars will be made at the specified office of any Paying Agent in the United States if (a) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount due on the Bearer Notes in the manner provided above when due and (b) payment of the full amount due at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions.

Notwithstanding the foregoing, payments in respect of Notes denominated and payable in CNY will be made solely by transfer to a CNY bank account maintained in the CNY Settlement Centre(s) in accordance with prevailing rules and regulations.

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

Fixed Rate Bearer Notes in definitive form should be presented for payment with all unmatured Coupons appertaining thereto (which expression shall include Coupons to be issued on exchange of Talons which will have matured on or before the relevant redemption date), failing which the full amount of any missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupon which the sum so paid bears to the total amount due) will be deducted from the sum due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon within a period of 10 years from the Relevant Date (as defined in Condition 6) for the payment of such sum due for payment, whether or not such Coupon has become void pursuant to Condition 14 or, if later, five years from the due date for payment of such Coupon. Upon any Fixed Rate Bearer Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the due date for redemption of any Floating Rate Note, Dual Currency Interest Note, Dual Currency Redemption Note (each, a "**Dual Currency Note**"), Index Security, Share Security, Inflation Security, Commodity Security, Fund Security, Credit Security, ETI Security, Currency Security, Debt Security, Underlying Interest Rate Linked Security or Hybrid Security in definitive bearer form, all unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them. Where any Floating Rate Note, Index Security, Share Security, Inflation Security, Commodity Security, Fund Security, Credit Security, ETI Security, Currency Security, Debt Security, Underlying Interest Rate Linked Security or Hybrid Security is presented for redemption without all unmatured Coupons appertaining thereto, payment of all amounts due in relation to such Note shall be made only against the provision of such indemnity of the Issuer or the Guarantor (if applicable).

If any date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, then the holder thereof shall not be entitled to payment of the amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay. If the due date for redemption of any interest bearing Note in definitive form is not a due date for the payment of interest relating thereto, interest accrued in respect of such Note from (and including) the last preceding due date for the payment of interest (or from the Interest Commencement Date) will be paid against surrender of such Note.

For these purposes, "**Payment Day**" means any day which (subject to Condition 14) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) the relevant place of presentation;
  - (B) each Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
  - (C) if TARGET2 System is specified as a Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and
- (ii) either (1y) in relation to any sum payable in euro, a day on which the TARGET2 System is open; or (2z) in relation to any sum payable in CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the CNY Settlement Centre(s).

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to, and including, the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 15. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

If the determination of any amount (whether in respect of principal, interest or otherwise) due in respect of the Notes on an Interest Payment Date, Instalment Date, early redemption date or the Maturity 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 or in the applicable Final Terms to a date (such date the "**Delayed Date**") falling after the day that is two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions or in the applicable Final Terms, such Interest Payment Date, Instalment Date, early redemption date or the Maturity Date, as the case may be, shall be postponed to the day falling two Business Days following such Delayed Date and no interest or other amount shall be payable on the Notes in respect of such delay.

The names of the initial Principal Paying Agent and the other initial Paying Agents and their initial specified offices are set out below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and/or to approve any change in the specified office of any Paying Agent, provided that:

- (i) so long as any Notes are listed on any stock exchange, there will at all times be a Paying Agent, which may be the Principal Paying Agent (in the case of Bearer Notes) and a Transfer Agent, which may be the Registrar (in the case of Registered Notes) with a specified office in the place required by the rules and regulations of the relevant stock exchange; and
- (ii) there will at all times be a Principal Paying Agent and a Registrar; and
- (iii) there will at all times be a Paying Agent in a jurisdiction within continental Europe other than the jurisdiction of the Issuer;
- (iv) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive, other than the jurisdiction in which the Issuer or Guarantor (if any) are incorporated;
- (v) so long as any Notes are cleared through CMU, there will at all times be appointed a CMU lodging agent or paying agent with a specified office in such place as required by the CMU; and
- (vi) so long as any Notes are cleared through Monte Titoli, there will at all times be an Italian Agent.

In addition, the Issuer shall immediately appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 4(a). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate

effect) after not less than 30 nor more than 45 days' prior notice shall have been given to the Noteholders in accordance with Condition 17.

Payments in respect of the Notes will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 6) any law implementing an intergovernmental approach thereto, and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.

(b) **Physical Delivery**

(i) *Physical Delivery*

(A) Asset Transfer Notices

In relation to Notes to be redeemed by delivery or (in the case of Credit Securities) Delivery of the Entitlement(s), in order to obtain delivery or Delivery of the Entitlement in respect of any Note, the relevant Noteholder must:

- (X) if such Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Principal Paying Agent and any entity appointed by the Issuer to deliver or Deliver, as the case may be, the Entitlement on its behalf (the "**Delivery Agent**") not later than the close of business in each place of reception on the Cut-Off Date, a duly completed asset transfer notice in the form set out in the Note Agency Agreement (an "**Asset Transfer Notice**"); and
- (Y) if such Note is in definitive form, the relevant Noteholder must deliver (i) if this Note is a Bearer Note, to any Paying Agent or (ii) if this Note is a Registered Note, to the Registrar or any Paying Agent, in each case, with a copy to the Principal Paying Agent and the Delivery Agent (as defined above) not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in the form set out in the Note Agency Agreement.

For the purposes hereof, "**Cut-off Date**" means the date specified as such in the applicable Final Terms or if not so specified (a) in respect of a Note that is not a Credit Note, the third Business Day immediately preceding the Maturity Date or (b) in respect of a Credit Note, the third Business Day immediately preceding the Physical Settlement Date (or, if earlier, the tenth Business Day following the NOPS Effective Date of the Notice of Physical Settlement).

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of the Registrar or any Paying Agent.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream,

Luxembourg, as the case may be, or (ii) if such Note is in definitive form, in writing.

If this Note is in definitive form, this Note must be delivered together with the duly completed Asset Transfer Notice.

The Asset Transfer Notice shall:

- I. specify the name, address and contact telephone number of the relevant Noteholder and the person from whom the Issuer or Delivery Agent may obtain details for the delivery or Delivery of the Entitlement;
- II. specify the series number of the Notes and the number of Notes which are the subject of such notice;
- III. in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject of such notice and the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes and irrevocably instruct and authorise the relevant Clearing System to debit the relevant Noteholder's account with such Notes on or before the Delivery Date or (in the case of Credit Securities) the Delivery Date (as defined in the Credit Security Conditions);
- IV. include an undertaking to pay all Expenses and, in the case of Notes represented by a Global Note, an authority to the relevant Clearing System to debit a specified account of the Noteholder with the relevant Clearing System in respect thereof and to pay such Expenses;
- V. include such details as are required for delivery or Delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered or Delivered and specify the name and number of the Noteholder's account to be credited with any cash payable by the Issuer in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Redemption Amount or Failure to Deliver Redemption Amount, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Redemption Amount;
- VI. certify that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof;
- VII. authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Note Agency Agreement.

If Condition 4(b)(ii) applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the Registrar or any Paying Agent.

(B) Verification of the Noteholder

In the case of Notes represented by a Global Note, upon receipt of an Asset Transfer Notice, the relevant Clearing System shall verify that the person delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, the relevant Clearing System will confirm to the Principal Paying Agent the series number and number of Notes the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Note. Upon receipt of such confirmation, the Principal Paying Agent will inform the Issuer and any Delivery Agent thereof. The relevant Clearing System will on or before the Delivery Date or (in the case of Credit Securities) the Delivery Date (as defined in the Credit Security Conditions), as the case may be, debit the securities account of the relevant Noteholder with the relevant Notes.

(C) Determinations and Delivery

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made, in the case of Notes represented by a Global Note, by the relevant Clearing System or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, or in each case in consultation with the Principal Paying Agent, and shall be conclusive and binding on the Issuer, the Guarantor (if applicable), the Principal Paying Agent(s), any Delivery Agent and the relevant Noteholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Paying Agent and any Delivery Agent immediately after being delivered or sent as provided in paragraph (A) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, in the case of Notes represented by a Global Note, the relevant Clearing System, or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, or in each case in consultation with the Principal Paying Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System, the Registrar or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

The Entitlement will be delivered at the risk of the relevant Noteholder, in the manner provided below on the date fixed for redemption (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**") or in the case of Credit Securities Delivered at the risk of the relevant Noteholder, in the manner provided below on the Delivery Date (as defined in the Credit Security Conditions), provided that the Asset Transfer Notice is duly delivered as provided above on or prior to the Cut-Off Date.

If a Noteholder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Paying Agent and the Delivery Agent, on or prior to the Cut-Off Date, then the Entitlement will be delivered or, as the case may be, Delivered as soon as practicable after the date fixed for redemption (in which case, such date of delivery shall be the Delivery Date) or (in the case of Credit Securities) the original date fixed for delivery at the risk of such Noteholder in the manner provided below. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Delivery Date falling after the date fixed for redemption or the original date fixed for delivery, as applicable and no liability in respect thereof shall attach to the Issuer or the Guarantor (if applicable), if any.

The Issuer (or any Delivery Agent on its behalf) shall at the risk of the relevant Noteholder, deliver or procure the delivery of the Entitlement for each Note or (in the case of Credit Securities) Deliver the Deliverable Obligations, obligations and/or other assets comprising the Entitlement, in such commercially reasonable manner as the Calculation Agent shall acting in good faith and a commercially reasonable manner determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice or in such manner as is specified in the applicable Final Terms. All costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes ("**Expenses**") arising from the delivery of the Entitlement or the Delivery of the Deliverable Obligations, obligations and/or other assets comprising the Entitlement, as the case may be, in respect of such Notes shall be for the account of the relevant Noteholder and no delivery of the Entitlement or the Delivery of the Deliverable Obligations, obligations and/or other assets comprising the Entitlement, as the case may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

(D) General

If Aggregation is specified as applicable in the applicable Final Terms, Notes held by the same Noteholder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Notes. The Entitlement or aggregate Entitlements in respect of the same Noteholder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent acting in good faith and in a commercially reasonable manner shall be paid to the Noteholder.

Following the Delivery Date of a Share or ETI Interest all dividends on the relevant Shares or ETI Interest to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or ETI Interests executed on the Delivery Date and to be delivered in the same manner as such relevant Shares or ETI Interests. Any such dividends to be paid to a Noteholder will be paid to the account specified by the Noteholder in the relevant Asset Transfer Notice as referred to in Condition 4(b)(i)(A).

For such period of time after delivery or Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations, obligations and/or other assets comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor (if applicable), the Paying Agents, the Registrar, any Delivery Agent or any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Noteholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations, assets or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations, assets or Deliverable Obligations or (iii) be under any liability to a Noteholder in respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations, assets or Deliverable Obligations.

(E) Settlement Disruption

The provisions of this Condition 4(b)(i)(E) apply to Notes other than Credit Securities.

If, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on the Delivery Date, then the Delivery Date shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Delivery Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Delivery Date. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Disruption Cash Redemption Amount (as defined below) on the fifth Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 17. Payment of the Disruption Cash Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 17. The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 17 that a Settlement Disruption Event has occurred. No Noteholder shall be entitled to any payment in respect of the relevant Note in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

For the purposes hereof:

**"Disruption Cash Redemption Amount"**, in respect of any relevant Note, shall be the fair market value of such Note (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non affected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets) less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer acting in good faith and in a commercially reasonable manner;

**"Settlement Business Day"** has the meaning specified in the applicable Final Terms; and

**"Settlement Disruption Event"** means, in the opinion of the Calculation Agent or, if the proviso in Condition 2.2(c) applies, the Guarantor, an event beyond the control of the Issuer or the Guarantor, as the case may be, as a result of which the Issuer or the Guarantor, as the case may be, cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

(F) Failure to Deliver due to Illiquidity

The provisions of this Condition 4(b)(i)(F) apply to the Notes other than Credit Securities.

If "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms and in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the **"Affected Relevant Assets"**) comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a **"Failure to Deliver due to Illiquidity"**), then:

- I. subject as provided elsewhere in the Terms and Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated date of redemption in accordance with this Condition 4(b); and
- II. in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Failure to Deliver Redemption Amount (as defined below) on the fifth Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 17. Payment of the Failure to Deliver Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 17. The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 17 that the provisions of this Condition 4(b)(i)(F) apply.

For the purposes hereof, **"Failure to Deliver Redemption Amount"** in respect of any relevant Note shall be the fair market value of such Note (taking into account,

the Relevant Assets comprising the Entitlement which have been duly delivered as provided above, the value of such Relevant Assets), less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer acting in good faith and in a commercially reasonable manner.

(G) Additional Provisions for Credit Securities

In the case of Credit Securities, the provisions contained in Annex 12 – "Additional Terms and Conditions for Credit Securities" shall apply.

(H) Additional Provisions for Italian Listed Notes

In the case of Italian Listed Notes, notwithstanding the foregoing, for the purposes of this Condition 4(b)(i) any reference to the "fair market value of such Note" shall be deemed replaced with the "Early Redemption Amount."

(ii) *Variation of Settlement*

(A) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Notes, the Issuer may in respect of each such Note, elect not to pay the relevant Noteholders the Final Redemption Amount or to deliver or procure delivery of the Entitlement to the relevant Noteholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Final Redemption Amount on the Maturity Date to the relevant Noteholders, as the case may be. Notification of such election will be given to Noteholders in accordance with Condition 17.

(B) If specified in the applicable Final Terms, the Issuer shall, in respect of each Note, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Noteholders, make payment of the Final Redemption Amount on the Maturity Date to the relevant Noteholders.

(C) Condition 4(b)(ii) will not apply to Italian Dematerialised Notes.

(iii) *Issuer's Option to Substitute Assets or to pay the Alternate Cash Redemption Amount*

Notwithstanding any provision of these Conditions to the contrary, the Issuer may, in respect of such Notes, if the Calculation Agent determines (acting in good faith and in a commercially reasonable manner) that the Relevant Asset or Relevant Assets, as the case may be, comprises shares or ETI Interests which are not freely tradable, elect either (i) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner) of such other shares or ETI Interests which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, are freely tradable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Noteholders, but in lieu thereof to make payment to the relevant Noteholder on the Delivery Date of an amount equal to the fair market value of the Entitlement on the Valuation Date as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to such sources as it considers

appropriate (the "**Alternate Cash Redemption Amount**"). Notification of any such election will be given to Noteholders in accordance with Condition 17 and in the event that the Issuer elects to pay the Alternate Cash Redemption Amount such notice shall give details of the manner in which such amount shall be paid.

For purposes hereof, a "**freely tradable**" share or an ETI Interest shall mean (i) with respect to the United States, a share or an ETI Interest, as the case may be, which is registered under the Securities Act or not restricted under the Securities Act and which is not purchased from the issuer of such share or an ETI Interest, as the case may be, and not purchased from an affiliate of the issuer of such share or an ETI Interest, as the case may be, or which otherwise meets the requirements of a freely tradable share or an ETI Interest, as the case may be, for purposes of the Securities Act, in each case, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner or (ii)

with respect to any other jurisdiction, a share or an ETI Interest, as the case may be, not subject to any legal restrictions on transfer in such jurisdiction.

(iv) *Rights of Noteholders and Calculations*

None of the Issuer, the Guarantor (if applicable), the Calculation Agent, any Delivery Agent and the Agents shall have any responsibility for any errors or omissions in any calculation or determination in respect of the Notes, unless, in the case of Italian Listed Notes, such errors or omissions are due to its own wilful misconduct or gross negligence.

The purchase of Notes does not confer on any holder of such Notes any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

(v) *Commodity Securities*

Commodity Securities shall not be redeemed by physical delivery and the provisions of this Condition 4(b) shall not apply to Commodity Securities.

(vi) *Italian Dematerialised Notes*

Italian Dematerialised Notes may not be redeemed by physical delivery. Condition 4(b) will not apply to Italian Dematerialised Notes.

(c) *FX Disruption Event*

- (i) If on (A) any Settlement Currency Exchange Rate Observation Date or (B) (other than in the case of a FX Disruption Event which is a Dual Exchange Rate Event, Illiquidity Disruption or an Unscheduled Holiday) if a Specified Exchange Rate is specified in the applicable Final Terms, the second Business Day prior to the due date for payment of any amount calculated using such Specified Exchange Rate, the Calculation Agent determines that a FX Disruption Event has occurred and is subsisting it will give notice (an "**FX Disruption Notice**") to the Noteholders in accordance with Condition 17 as soon as reasonably practicable thereafter and, in any event, prior to the relevant due date for payment of the relevant amount to be calculated using such Settlement Currency Exchange Rate or Specified Exchange Rate, as applicable.

- (ii) Following the occurrence of a FX Disruption Event:
  - (A) the date for payment of the relevant amount to be calculated using the Settlement Currency Exchange Rate or Specified Exchange Rate, as applicable, will be postponed to the earlier of (i) the second Business Day following the date on which the Calculation Agent determines that a FX Disruption Event is no longer subsisting or (ii) the day falling thirty (30) calendar days following the scheduled due date for payment of such amount (the "**Postponed DE Payment Date**") which, for the avoidance of doubt, may be later than the scheduled Maturity Date; and
  - (B) (i) in the case of (A)(i) above, the Issuer will pay the relevant amount in the Settlement Currency on the Postponed DE Payment Date or (ii) in the case of (A)(ii) above, subject to paragraphs (iii), (iv) and (v) below, in lieu of paying the relevant amount in the Settlement Currency, the Issuer will pay the relevant unconverted amount in the Specified Currency (each a "**Specified Currency Amount**") on the Postponed DE Payment Date.
- (iii) If the Issuer elects to pay the Specified Currency Amount as provided in paragraph (ii)(B) above it may (but is not obliged to) give notice to the Noteholders in accordance with Condition 17 (an "**Issuer Account Information Notice**") requesting from each Noteholder such information as it deems appropriate in order to pay the Specified Currency Amount to such Noteholder (including, inter alios, account information into which in the determination of the Calculation Agent the Specified Currency Amount may be paid). Upon receipt of an Issuer Account Information Notice, each Noteholder must deliver to the Calculation Agent in accordance with paragraph (vi) below with a copy to the Principal Paying Agent a notice (a "**Noteholder Account Information Notice**") not later than 20 calendar days following receipt of the Issuer Account Information Notice (the "**Account Information Cut-off Date**") specifying details of an account in which, in the determination of the Calculation Agent, the relevant Specified Currency Amount may be paid. If any Noteholder fails to deliver a valid Noteholder Account Information Notice by the Account Information Cut-off Date, the Issuer will pay or cause to be paid the relevant Specified Currency Amount as soon as practicable following receipt of the relevant Noteholder Account Information Notice, Provided That if any Noteholder fails to deliver a Noteholder Account Information Notice prior to the fortieth calendar day following deemed receipt of the Issuer Account Information Notice, then (a) in the case of Notes which are not Italian Listed Notes, the Issuer shall be discharged from its obligation to pay to such Noteholder the Specified Currency Amount and shall have no further obligation or liability whatsoever in respect thereof and (b), in the case of Italian Listed Notes, the Calculation Agent will calculate an adjustment and, if applicable, make an alternative payment in accordance with Condition 4(c)(v) below.
- (iv) In the event that the Calculation Agent determines that it is unlawful, impossible or otherwise impracticable to pay any Specified Currency Amount (other than as a result of the failure to deliver a Noteholder Account Information Notice, if applicable) on the due date for payment thereof (a "**Non-Transferability Event**"), the Issuer shall notify the Noteholders in accordance with Condition 17 that such due date for payment has been postponed until the first date on which in the opinion of the Calculation Agent the relevant Non-Transferability Event is no longer subsisting.

- (v) Notwithstanding paragraphs (ii) to (iv) above, the Calculation Agent:
  - (A) in the case of Notes other than Italian Listed Notes, acting in a commercially reasonable manner may make such adjustment to the Conditions and/or the applicable Final Terms as it determines to be necessary or desirable to reflect or account for any market practice that develops in respect of the relevant FX Disruption Event; or
  - (B) in the case of Italian Listed Notes, if not more than six months following the scheduled date for any payment affected by a FX Disruption Event, such payment has not been made in accordance with paragraphs (ii) to (iv) above, acting in good faith and a commercially reasonable manner and taking into consideration all available information that it deems relevant, shall (i) make such adjustment to the Conditions and/or the applicable Final Terms as it determines to be necessary or desirable to reflect or account for any market practice that develops in respect of the relevant FX Disruption Event and (ii) in lieu of the Specified Currency Amount make payment of such amount of the Specified Currency or the Settlement Currency as it, acting in good faith and in a commercially reasonable manner, determines to be appropriate taking into account the FX Disruption Event and, if applicable, the failure to deliver a Noteholder Account Information Notice.

In each case, upon the Calculation Agent making such adjustment, the Issuer shall give notice as soon as practicable to Noteholders in accordance with Condition 17 stating the adjustment to the Conditions and/or the applicable Final Terms.

- (vi) Any Noteholder Account Information Notice from a Noteholder to the Calculation Agent will be validly given if delivered in writing to the Calculation Agent at the address specified for such purposes in the applicable Final Terms. Any such notice shall be deemed to have been given on the day when delivered or if delivered after 5.00 p.m. (London time) on any day or on any day on which commercial banks were not open for business in London, the first day thereafter on which commercial banks are open for business in London. The relevant Noteholder must provide satisfactory evidence to the Calculation Agent of its holding of the relevant Notes.
- (vii) For the avoidance of doubt, no Interest Period will be adjusted as a result of the postponement of any interest payment pursuant to this Condition 4(c), and no additional interest will be paid in respect of any postponement of the date for payment.
- (viii) For these purposes "**FX Disruption Event**" means the occurrence of any of the following events:
  - (A) an Inconvertibility Event;
  - (B) a Dual Exchange Rate Event;
  - (C) an Illiquidity Disruption; or
  - (D) an Unscheduled Holiday.

Where:

**"Dual Exchange Rate Event"** means, with respect to any Settlement Currency Exchange Rate that the Settlement Currency Exchange Rate or any component rate of exchange thereof splits into dual or multiple currency exchange rates.

**"Illiquidity Disruption"** means, in relation to a Settlement Currency Exchange Rate, the occurrence of an event on a Settlement Currency Exchange Rate Observation Date (or, if different, the day on which rates for that Settlement Currency Exchange Rate Observation Date would, in the ordinary course, be published or announced by the relevant price source) which makes it impossible to obtain a firm quote of the Settlement Currency Exchange Rate for an amount to be determined by the Calculation Agent (either in one transaction or a commercially reasonable number of transactions that, when taken together, total such amount determined by the Calculation Agent);

**"Inconvertibility Event"** means the occurrence of any event or existence of any condition that has the effect of it being impossible, illegal or impracticable for, or has the effect of prohibiting, restricting or materially delaying the ability of the Issuer and/or any of its Affiliates (I) to convert the Specified Currency into the Settlement Currency through customary legal channels; (II) to effect currency transactions on terms as favourable as those available to residents of the Reference Jurisdiction; or (III) to freely and unconditionally transfer or repatriate funds (in the Specified Currency or the Settlement Currency) from accounts inside the Reference Jurisdiction to accounts outside the Reference Jurisdiction or between accounts inside the Reference Jurisdiction.

**"Reference Jurisdiction"** means the jurisdiction specified as such in the applicable Final Terms.

**"Unscheduled Holiday"** means, in respect of any Settlement Currency Exchange Rate Observation Date, any date on which such date is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9.00 a.m. local time in the principal financial centre of the Specified Currency or Settlement Currency (which, if the Specified Currency or Settlement Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) two Business Days prior to such day.

## 5. REDEMPTION AND PURCHASE

### 5.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, each Note will be redeemed by the Issuer at its relevant Final Redemption Amount on the Maturity Date specified in the applicable Final Terms or, if the Notes are Physical Delivery Notes by delivery of the Entitlement (as provided in Condition 4(b) above) or (in the case of a Credit Security) at the relevant amount and/or by delivery as specified in the Credit Security Conditions. This Note may not be redeemed other than in accordance with these Conditions. If the Notes are Italian Dematerialised Notes, the relevant Issuer shall on the Maturity Date pay or cause to be paid the Final Redemption Amount by credit or transfer to the Holder's account at Monte Titoli for value on the Maturity Date.

The **"Final Redemption Amount"**, in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Final Payout, in each case as specified in the applicable Final Terms,

Provided That, (i) if the Notes are Dual Currency Redemption Notes, the product of the above formula will be converted into the Settlement Currency as provided in Condition 5.12 below and (ii) if the product of the Final Payout is zero, no amount shall be payable on final redemption of the Note.

The "**Entitlement**" shall be the quantity of the Relevant Asset(s) equal to the Entitlement Amount specified in the applicable Final Terms or (in the case of a Credit Security) the relevant obligations and/or other assets as specified in the Credit Security Conditions.

## 5.2 **Redemption for Taxation Reasons**

The provisions of this Condition 5.2 shall not apply in the case of Notes if Condition 6.3 is specified as applicable in the applicable Final Terms.

- (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 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, Linked Interest Notes, or Dual Currency Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, Linked Interest Notes or Dual Currency Interest Notes) on giving not more than 45 nor less than 30 days' notice to the Noteholders (in accordance with Condition 17) 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) 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 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, Linked Interest Notes or Dual Currency Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, Linked Interest Notes or Dual Currency Interest 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 17), 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.

## 5.3 **Redemption at the Option of the Issuer (Issuer Call Option)**

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may having given 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 Noteholders in accordance with Condition 17, (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then

outstanding at the Optional Redemption Amount on any Optional Redemption Date specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any partial redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. The "**Optional Redemption Amount**", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Call Payout, as specified in the applicable Final Terms,

Provided That if the product of the Call Payout is zero, no amount shall be payable on redemption of such Note.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and (iii) in the case of Italian Dematerialised Notes, be governed by the standard procedures of Monte Titoli. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes.

#### 5.4 **Redemption at the Option of the Noteholders (Noteholder Put Option)**

If Noteholder Put Option is specified in the applicable Final Terms, upon a Noteholder giving to the Issuer in accordance with Condition 17 not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note at the Optional Redemption Amount on the Optional Redemption Date specified in the applicable Final Terms, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. The "**Optional Redemption Amount**" shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Note.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must deliver at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying 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 the Registrar or any Paying Agent (a "**Put Notice**") and in which the Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition, accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control in accordance with the Note Agency Agreement. If this Note is represented by a Global Note or is in definitive form and held through

Euroclear or Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must, within the Notice Period, give notice to the Registrar or Paying Agent or the CMU Lodging Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or the CMU (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or the CMU Lodging Agent or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or the CMU from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. If this Note is an Italian Dematerialised Note held through Monte Titoli to exercise the right to require redemption of the Note the Holder of the Note must, within the Notice Period, give notice to the Italian Agent of such exercise in accordance with the standard procedures of Monte Titoli in a form acceptable to Monte Titoli.

Any Put Notice given by a Noteholder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 8.

#### 5.5 **Early Redemption**

For the purposes of paragraph 5.2 above, Condition 8 and any circumstances where the Notes are to be redeemed prior to their Maturity Date at their Early Redemption Amount (as defined below), each Note will be redeemed at an amount (the "**Early Redemption Amount**") calculated as follows, together, if appropriate, with interest accrued to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable:

- (a) in the case of a Note (other than a Zero Coupon Note or a Note whose Early Redemption Amount is linked to an index, a formula or other Underlying Reference) with a Final Redemption Amount equal to its nominal amount, at the Final Redemption Amount thereof; or
- (b) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount or interest, coupon or other interim payment which is linked to an index, a formula or other Underlying Reference, at the percentage of the Calculation Amount specified in the applicable Final Terms or, if "Market Value less Costs" is specified in the applicable Final Terms at the fair market value less associated costs; or
- (c) in the case of a Zero Coupon Note the Early Redemption Amount of which is not linked to an index, a formula or other Underlying Reference at an amount (the "**Amortised Face Amount**") equal to the sum of:
  - (i) the Reference Price specified in the applicable Final Terms; and
  - (ii) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed in such incomplete month.

#### 5.6 **Purchases**

The Issuer, the Guarantor or any of their respective subsidiaries may, but is not obliged to, at any time purchase Notes (together with (in the case of definitive Bearer Notes of this Series) all unmatured Receipts or Coupons appertaining thereto) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or surrendered for cancellation.

#### 5.7 **Cancellation**

All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Receipts presented therewith) and accordingly may not be re-issued or resold.

#### 5.8 **Instalments**

Each Note in definitive form which is redeemable in instalments will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. All instalments (other than the final instalment) will be paid by surrender of, in the case of a definitive Bearer Note, the relevant Receipt (which must be presented with the Note to which it appertains) and, in the case of a definitive Registered Note, the relevant Note and issue of a new Note in the nominal amount remaining outstanding, all as more fully described in Condition 4.

#### 5.9 **Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph 5.2, 5.3 or 5.4 above is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph 5.5(c) above as though the references therein to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (b) the date on which the full amount of the moneys payable has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 17.

#### 5.10 **Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise in accordance with the provisions of this Condition 5.

#### 5.11 **Payout Switch**

If Payout Switch is specified as applicable in the applicable Final Terms and (i) if Payout Switch Election is specified as applicable in the applicable Final Terms, or (ii) if Automatic Payout Switch is specified as applicable in the applicable Final Terms and an Automatic Payout Switch Event occurs, the Issuer may elect that the Redemption/Payment Basis for the Notes will be amended (a "**Payout Switch**") from the Redemption/Payment Basis specified in the Final Terms to the Switched Payout specified in the applicable Final Terms on and after the Payout Switch Date specified in the applicable Final Terms. Notice of any Payout Switch will be given to Noteholders in accordance with Condition 17.

"**Automatic Payout Switch Event**" means that the SPS APS Value is (a) "greater than", (b) "equal to or greater than", (c) "less than" or (d) "less than or equal to", as specified in the applicable Final Terms, the Automatic Payout Switch Level, (x) on a SPS APS Valuation Date or (y) in respect of a SPS APS Valuation Period, as specified in the applicable Final Terms;

"**Automatic Payout Switch Level**" means the number, amount, level or percentage specified as such in the applicable Final Terms;

"**SPS APS Value**" means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**SPS APS Valuation Date**" means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

"**SPS APS Valuation Period**" means each period specific as such in the applicable Final Terms.

#### 5.12 **Dual Currency Redemption Notes**

If the Notes are specified in the applicable Final Terms as Dual Currency Redemption Notes, any amount payable on the redemption of the Notes will be converted into the Settlement Currency at the Specified Exchange Rate specified in the applicable Final Terms or, if no Specified Exchange Rate is specified, the Settlement Currency Exchange Rate on the relevant Settlement Currency Exchange Rate Observation Date.

References to amounts payable on the redemption of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which be payable with respect to principal under Condition 6;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) the Instalment Amounts;
- (f) the Automatic Early Redemption Amount (if any) of the Notes;
- (g) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 5.5); and
- (h) any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

#### 5.13 **Redemption in part of Italian Dematerialised Notes**

Notwithstanding any provision to the contrary in the Conditions, any redemption of the Notes in part must be in accordance with the standard procedures of Monte Titoli.

### **6. TAXATION**

#### 6.1 **Notes issued by BNPP B.V.**

Subject to Condition 6.4, in the case of Notes issued by BNPP B.V., all payments in respect of such Notes, Receipts and Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In the event that any amounts are required to be deducted or withheld for, or on behalf of, any Tax Jurisdiction, the Issuer or, as the case may be, the Guarantor shall, to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments

or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands (in the case of payments by BNPP B.V.) or France (in the case of payments by the Guarantor) other than by the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4(a)).

In these Terms and Conditions:

- (x) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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
- (y) the **Relevant Date** means the date on which the relevant payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17.

## 6.2 Notes issued by BP2F

Subject to Condition 6.4, in the case of Notes issued by BP2F, all payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or (if the Guarantee were called) the Guarantor will be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Luxembourg or any political subdivision thereof or any authority or agency therein or thereof having the power to tax or, where applicable, (in the case of the Guarantor) Belgium or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders or, as the case may be, the Couponholders after such deduction or withholding shall equal the respective amounts which would have been receivable under these Conditions in respect of the Notes or, as the case may be, Coupons by the Noteholders and (if applicable) the Couponholders in the absence of such deduction or withholding, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (i) presented for payment in Belgium; or
- (ii) to, or to a third party on behalf of, a holder who is able to avoid such withholding or deduction by placing such Note or Coupon in safe custody with a Belgian bank and by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iii) to, or to a third party on behalf of, a holder where such holder is liable to such taxes or duties in respect of such Note or Coupon by reason of its having some connection with Belgium other than by reason only of the holding of such Note or Coupon or the receipt of the relevant payment in respect thereof; or

- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day; or
- (v) where such withholding or deduction is imposed on a payment to an individual or a residual entity within the meaning of the Council Directive 2003/48/EC and is required to be made pursuant to (i) Council Directive 2003/48/EC on the taxation of savings income or any law (whether in or outside the European Union) implementing or complying with, or introduced in order to conform to, such Directive and (ii) the law of 23 December 2005 (as amended) introducing a 10 per cent. withholding tax as regards Luxembourg resident individuals.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 17 that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, **provided that** payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 3 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts which may be payable under this Condition.

### **6.3 No Gross-up**

If Condition 6.3 is specified as applicable in the applicable Final Terms, neither the Issuer nor the Guarantor (if any) shall be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer or the Guarantor (if any) shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

## **7. REDENOMINATION**

### **7.1 Redenomination**

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Principal Paying Agent, Euroclear, Clearstream, Luxembourg and Monte Titoli and at least 30 days' prior notice to the Noteholders in accordance with Condition 17 (and, in the case of Italian Dematerialised Notes, in accordance with the standard procedures of Monte Titoli), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes and the Receipts shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note and Receipt equal to the principal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply

with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;

- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant Noteholder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Principal Paying Agent may approve) euro 0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Settlement Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on a Fixed Interest Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit (defined above) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;
- (g) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to these Conditions as the Issuer may decide, after consultation with the Principal Paying Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro.

## 7.2 **Definitions**

In these Conditions, the following expressions have the following meanings:

"**Established Rate**" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

"**Redenomination Date**" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph 7.1 above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

"**Treaty**" means the Treaty on the Functioning of the European Union, as amended.

## **8. EVENTS OF DEFAULT AND ENFORCEMENT**

### **8.1 Events of Default**

#### **(a) Notes issued by BNPP B.V.**

In the case of Notes issued by BNPP B.V., a Noteholder may give written notice to the Issuer and the Principal Paying Agent that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its Early Redemption Amount, together, if appropriate, with interest accrued to the date of repayment, in any of the following events ("**Events of Default**"):

- (i) the Issuer fails to pay any amount payable in respect of the Notes or any of them when due and payable and such default is not remedied within 30 days after the relevant due date; or
- (ii) the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Notes and such default is not remedied within 45 days after notice of such default has been given to the Principal Paying Agent by any Noteholder; or
- (iii) BNPP 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 the Issuer or Guarantor is subject to similar proceedings, 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 Notes) are assumed by, another entity which continues the Issuer's or Guarantor's activities.

#### **(b) Notes issued by BP2F**

In the case of Notes issued by BP2F, if any of the following events ("**Events of Default**") occurs and is continuing, the holder of any Note may give written notice to the Principal Paying Agent that such Note is immediately repayable at the Early Redemption Amount together with accrued interest to the date of payment shall become immediately due and payable unless prior to the date that such written notice is received by the Principal Paying Agent the relevant Issuer or, where applicable, the Guarantor shall have cured or the relevant Issuer or, where applicable, the Guarantor shall otherwise have made good all Events of Default in respect of the Notes:

- (i) default in the payment of any principal or interest due in respect of the Notes or any of them and such default continuing for a period of 30 days; or
- (ii) default by the Issuer or the Guarantor in the due performance or observance of any other obligation, condition or other provision under or in relation to the Notes or the Guarantee, as the case may be, if such default is not cured within 45 days after receipt by the Principal Paying Agent of written notice thereof given by any Noteholder requiring the same to be remedied; or
- (iii) default by the Issuer or the Guarantor in the payment of the principal of, or premium or prepayment charge (if any) or interest on, any other loan indebtedness of or assumed or guaranteed by the Issuer or the Guarantor (which indebtedness in the case of the Guarantor has an aggregate principal amount of at least EUR 50,000,000 or its equivalent in any other currency or currencies), when and as the same shall become due and payable, if such default shall continue for more than the period of grace, if any, originally applicable thereto and the time for payment of such interest or principal has not been effectively extended, or in the event that any loan indebtedness of or assumed by the Issuer or the Guarantor (which indebtedness in the case of the Guarantor has an aggregate principal amount of at least EUR 50,000,000 or its equivalent in any other currency or currencies), shall have become repayable before the due date thereof as a result of acceleration of maturity caused by the occurrence of an event of default thereunder; or
- (iv) the Issuer is dissolved or wound up or otherwise ceases to exist prior to the redemption of all outstanding Notes or the Guarantor is dissolved or wound up or otherwise ceases to exist prior to the redemption of all outstanding Notes, except as a result of a Permitted Reorganisation, or the Issuer ceases to be a subsidiary of the Guarantor (save in the case of a substitution pursuant to Condition 20 where the substitute is the Guarantor); or
- (v) the Issuer or the Guarantor becomes insolvent, is unable to pay its debts generally (or in the case of the Guarantor is in *staking van betaling/cessation de paiements* (suspension of payments)) as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or ceases or threatens to cease to carry on its business, or proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer or the Guarantor, or if the Issuer or the Guarantor commences a voluntary case or other proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, consents to the entry of an order for relief in any involuntary case or other proceeding under any such law as to the appointment of or the taking possession by a trustee, receiver, liquidator, custodian, assignee, sequestrator or similar official of the Issuer or the Guarantor or of any substantial part of its property or as the winding up or liquidation of the Issuer, or if the Guarantor applies for a *liquidation/vereffening* (liquidation) or *faillite/faillissement* (bankruptcy) or any procedures having similar or equivalent effect shall have been initiated in respect of the Issuer or the Guarantor; or
- (vi) a court having jurisdiction in the premises enters a decree or order for relief in respect of the Issuer or the Guarantor in an involuntary case or other proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a trustee, receiver, liquidator, custodian, assignee, sequestrator or other similar official of the Issuer or the Guarantor or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and any such decree or order continues unstayed in effect for a period of 30 consecutive days; or
- (vii) it becomes unlawful for the Issuer or the Guarantor to perform any of their respective obligations under the Notes or the Guarantees, or any of their obligations ceases to be valid, binding or enforceable; or

- (viii) the Guarantee is not or is claimed by the Guarantor not to be in full force and effect in accordance with their terms.

In this Condition:

**"Permitted Reorganisation"** means an amalgamation, merger, consolidation, reorganisation or other similar arrangement entered into by the Guarantor under which:

- (i) the whole of the business, undertaking and assets of the Guarantor are transferred to and all the liabilities and obligations of the Guarantor are assumed by the new or surviving entity either:
- (A) automatically by operation of applicable law; or
  - (B) the new or surviving entity assumes all the obligations of the Guarantor under the terms of the Note Agency Agreement, the Notes and the Guarantee as fully as if it had been named in the Note Agency Agreement, the Notes and the Guarantee in place of the Guarantor; and, in either case,
- (ii) the new or surviving entity will immediately after such amalgamation, merger, consolidation, reorganisation or other similar arrangement be subject to a European Union regulatory authority.

Any such notice by a Noteholder to the Principal Paying Agent shall specify the serial number(s) of the Note(s) concerned.

## 9. ADDITIONAL DISRUPTION EVENTS AND OPTIONAL ADDITIONAL DISRUPTION EVENTS

### 9.1 Definitions

**"Additional Disruption Event"** means each of Change in Law and Hedging Disruption, unless otherwise specified otherwise in the applicable Final Terms;

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

**"Cancellation Event"** means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for the Issuer or its Affiliates to hedge the Issuer's obligations in respect of the Notes;

**"Change in Law"** means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, in respect of any tax law, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation or application of any law or regulation by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once, the Issuer determines acting in good faith and in a commercially reasonable manner that:

- (a) it has become illegal for it or any of its Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Securities), any relevant hedge position relating to a Debt Instrument (in the case of Debt Securities), any relevant hedge position relating to a Share (in the case of Share Securities), any relevant hedge position relating to an ETI Interest (in the case of ETI Securities), any relevant hedge position relating to a Commodity or Commodity Index (in the

case of Commodity Securities) or any relevant hedge position relating to a Fund Share (in the case of Fund Securities) (each a "**Hedge**"); or

- (b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency, regulatory or capital requirements) in maintaining the Notes in issue or in holding, acquiring or disposing of any Hedge;

**"Currency Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates (a) to convert the relevant currency ("**Local Currency**") in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index, the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Securities) are denominated, into the Specified Currency or Settlement Currency, as applicable, or exchange or repatriate any funds in the Local Currency or the Specified Currency or Settlement Currency, as applicable, outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Notes;

**"Force Majeure Event"** means that, on or after the Trade Date, the performance of the Issuer's obligations under the Notes is prevented or materially hindered or delayed due to:

- (a) any act (other than a Market Disruption Event), law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any Government Authority or otherwise; or
- (b) the occurrence of civil war, disruption, military action, unrest, political insurrection, terrorist activity of any kind, riot, public demonstration and/or protest, or any other financial or economic reasons or any other causes or impediments beyond such party's control; or
- (c) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer or any of its Affiliates, of all or substantially all of its assets in the Local Currency jurisdiction;

**"Government Authority"** means any nation, state or government, any province or other political subdivision thereof, any body, agency or ministry, any taxing, monetary, foreign exchange or other authority, court, tribunal or other instrumentality and any other entity exercising, executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

**"Hedging Disruption"** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s), asset(s) or futures or options contract(s) or any relevant hedge positions relating to the Notes;

**"Hedging Party Default"** means any hedging counterparty in respect of the Securities announces its inability to meet its financial obligations, ceases its payments or a court in its jurisdiction of incorporation opens insolvency proceedings against it and the Issuer or the Guarantor is unable to replace such hedging counterparty on terms acceptable to the Issuer or the Guarantor as the case may be;

**"Hedging Shares"** means the number of components comprised in an Index (in the case of Index Securities) or the number of Shares (in the case of Share Securities) that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes;

**"Increased Cost of Hedging"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any Commodity or, in the case of a Commodity Index, Index Component (in the case of Commodity Securities) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, or, in respect of any Debt Securities, any relevant hedge positions relating to a Debt Instrument, it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest risk) of the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, or, in respect of any Debt Securities, any relevant hedge positions relating to a Debt Instrument, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

**"Increased Cost of Stock Borrow"** means that the Issuer and/or any of its Affiliates would incur a rate to borrow any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) that is greater than the Initial Stock Loan Rate;

**"Initial Stock Loan Rate"** means, in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the initial stock loan rate specified in relation to such Share, security, component or commodity in the applicable Final Terms;

**"Insolvency Filing"** means that a Share Company or Basket Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or Basket Company shall not be deemed an Insolvency Filing;

**"Jurisdiction Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates to purchase, sell, hold or otherwise deal (or to continue to do so in the future) in the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments in order for the Issuer to perform its obligations under the Notes or in respect of any relevant hedging arrangements in connection with the Notes (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position, commodity position or other instruments or arrangements (however described) by the Issuer and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Notes) or the costs of so doing would (in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner) be materially increased under the restriction or limitation of the existing or future law, rule, regulation, judgment, order, interpretation, directive or decree of any Government Authority or otherwise;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Optional Additional Disruption Event"** means any of Cancellation Event, Currency Event, Force Majeure Event, Hedging Party Default, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing, Jurisdiction Event, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Stop-Loss Event"** means, in respect of a Share, the price of any Share as quoted on the relevant Exchange for such Share at the Scheduled Closing Time on any Scheduled Trading Day that is not a Disrupted Day in respect of such Share on or after the Trade Date or, if later, the Strike Date, is less than 5 per cent., or such percentage specified in the applicable Final Terms, of its Strike Price or, if no Strike Price is specified in the applicable Final Terms, the price given as the benchmark price for such Share in the applicable Final Terms, all as determined by the Calculation Agent;

**"Trade Date"** has the meaning given to it in the applicable Final Terms.

9.2 If Additional Disruption Events are specified as applicable or if an Optional Additional Disruption Event is specified in the applicable Final Terms and an Additional Disruption Event and/or an Optional Additional Disruption Event (as applicable) occurs, the Issuer may take the action described in (a) or, if applicable, (b), (c), (d) or (e), as the case may be, below:

- (a) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;
- (b) unless Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified in the applicable Final Terms, on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Notes, each Note being redeemed by payment of an amount equal to the fair market value of such Note taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
- (c) if Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Note, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer

and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Maturity Date shall redeem each Note at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

- (d) in the case of Index Securities linked to a Custom Index, the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 17 and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Notes and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (e) in the case of Share Securities linked to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Notes, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Notes was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

where:

"A" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected Share; and

"C" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant date of the Additional Disruption Event and/or Optional Additional Disruption Event.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must be a share which, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner:

- (i) is not already included in the Basket of Shares;
- (ii) the relevant issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and
- (iii) the relevant issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.

In the case of Italian Listed Notes, notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Notes.

9.3 Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 17 stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

9.4 Where the Notes are Italian Listed Notes, notwithstanding the foregoing, any reference to "fair market value" in Conditions 9.2(b) and 9.2(c) shall be deemed to be a reference to "Early Redemption Amount".

## **10. ILLEGALITY AND FORCE MAJEURE**

### **10.1 Illegality**

If the Issuer determines that the performance of its obligations under the Securities has become illegal in whole or in part for any reason, the Issuer may redeem all but not some only of the Securities by giving notice to Holders in accordance with Condition 17.

If the Issuer redeems the Securities then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Holder in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security notwithstanding such illegality less, except in the case of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payment will be made in such manner as shall be notified to the Holders in accordance with Condition 17.

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

### **10.2 Force Majeure**

If the Issuer determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible or impracticable to perform in whole or in part its obligations under the Securities and/or any related hedging arrangements, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17, provided that if such an event would constitute both a force majeure under this Condition 10.2 and a Force Majeure Event as defined in Condition 9.1 (if specified as an applicable Optional Additional Disruption Event in the applicable Final Terms), it shall be deemed to be a Force Majeure Event.

If the Issuer redeems the Securities then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) to each Holder in respect of each Security held by such Holder, which amount shall be equal to the fair market value (if any) of a Security taking into account such force majeure or act of state less, except in the case of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Any payment will be made in such manner as shall be notified to the Holders in accordance with Condition 17.

## **11. KNOCK-IN EVENT AND KNOCK-OUT EVENT**

- 11.1 If "Knock-in Event" is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant Notes which is expressed in the Conditions to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.
- 11.2 If "Knock-out Event" is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant Notes which is expressed in the Conditions to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.
- 11.3 In respect of Index Securities, Share Securities, Debt Securities and Futures Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day (a) in respect of Notes other than Custom Index Securities or Debt Securities, at any time during the one hour period that begins or ends at the Valuation Time the Level triggers the Knock-in Level or the Knock-out Level, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, or (b) in respect of Custom Index Notes or Debt Securities, a Custom Index Disruption Event or Market Disruption Event, as applicable, is occurring, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Trading Disruption, Exchange Disruption, Early Closure, Custom Index Disruption Event or Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.
- 11.4 In respect of Commodity Securities or Currency Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Commodity Disrupted Day or a Disrupted Day, as applicable, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such day being a Commodity Disrupted Day or a Disrupted Day, as the case may be or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed

not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

11.5 In respect of Notes other than Custom Index Securities or Debt Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Level triggers the Knock-in Level or the Knock-out Level, (a) in the case of Index Securities, Share Securities and Futures Securities, a Trading Disruption, Exchange Disruption or Early Closure, (b) in the case of Currency Securities, a Disruption Event or (c) in the case of Commodity Securities, a Market Disruption Event, in each case occurs or exists, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Trading Disruption, Exchange Disruption, Early Closure, Disruption Event or Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that, in the case of Notes other than Commodity Securities or Currency Securities, if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.

11.6 In respect of Debt Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the exchange on which the relevant Debt Instrument is traded or on any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded and if on any Knock-in Determination Day or Knock-out Determination Day and at any time at which the Level triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event has occurred or is occurring, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.

11.7 Definitions relating to Knock-in Event/Knock-out Event

**"Knock-in Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-in Determination Period, (c) each Scheduled Custom Index Business Day in the Knock-in Determination Period, (d) each Fund Business Day in the Knock-in Determination Period, (e) each Business Day in the Knock-in Determination Period, or (f) each Commodity Business Day in the Knock-in Determination Period, as specified in the applicable Final Terms;

**"Knock-in Determination Period"** means the period which commences on, and includes, the Knock in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date;

**"Knock-in Event"** means:

- (a) if SPS Knock-in Valuation is specified as applicable in the applicable Final Terms, the Knock-in Value is; or
- (b) if the Securities are Currency Securities and FX Knock-in Valuation is specified as applicable in the applicable Final Terms:
  - (i) if FX Coupon Performance is specified as applicable in the applicable Final Terms, that the FX Coupon Performance is; or
  - (ii) if Performance Value is specified as applicable in the applicable Final Terms, that the Performance Value is; or
- (c) if SPS Knock-in Valuation is specified as not applicable in the applicable Final Terms and, if the Securities are Currency Securities, unless FX Knock-in Valuation is specified as applicable in the applicable Final Terms:
  - (i) (in respect of a single Underlying Reference) that the Level is; or
  - (ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying Reference as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is,

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Level or, if applicable, (B) "within" the Knock-in Range Level, in each case as specified in the applicable Final Terms (x) on a Knock-in Determination Day or (y) in respect of a Knock-in Determination Period, as specified in the applicable Final Terms;

**"Knock-in Level"** means the FX Knock-in Level or the level, price, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Scheduled Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Notes), the next following Scheduled Trading Day, Commodity Business Day, Scheduled Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-in Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Scheduled Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Notes), the next following Scheduled Trading Day, Commodity Business Day, Scheduled Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-in Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-in Valuation Time"** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time;

**"Knock-in Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Knock-out Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-out Determination Period, (c) each Scheduled Custom Index Business Day in the Knock-out Determination Period, (d) each Fund Business Day in the Knock-out Determination Period, (e) each Business Day in the Knock-out Determination Period as specified in the applicable Final Terms or (f) each Commodity Business Day in the Knock-out Determination Period;

**"Knock-out Determination Period"** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date;

**"Knock-out Event"** means:

- (a) if SPS Knock-out Valuation is specified as applicable in the applicable Final Terms, the Knock-out Value is, or
- (b) if the Securities are Currency Securities and FX Knock-out Valuation is specified as applicable in the applicable Final Terms:
  - (i) if FX Coupon Performance is specified as applicable in the applicable Final Terms, that the FX Coupon Performance is; or
  - (ii) if Performance Value is specified as applicable in the applicable Final Terms, that the Performance Value is, or
- (c) if SPS Knock-out Valuation is specified as not applicable in the applicable Final Terms and, if the Securities are Currency Securities, unless FX Knock-out Valuation is specified as applicable in the applicable Final Terms:
  - (i) (in respect of a single Underlying Reference) that the Level is; or
  - (ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying References as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is,
    - (A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-out Level or, if applicable, (B) "within" the Knock-out Range Level, in each case, as specified in the applicable Final Terms (x) on a Knock-out Determination Day or (y) in respect of a Knock-out Determination Period, as specified in the applicable Final Terms;

**"Knock-out Level"** means the FX Knock-out Level or the level, price, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-out Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities) or a Scheduled Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Notes), the next following Scheduled Trading Day, Commodity Business Day, Scheduled Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-out Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Scheduled Custom Index Business Day (in the case of Custom Index Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Notes), the next following Scheduled Trading Day, Commodity Business Day, Scheduled Custom Index Business Day, Fund Business Day or Business Day, as the case may be;

**"Knock-out Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Valuation Time"** means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time;

**"Knock-out Value"** means the value from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"Level"** means, for the purposes of this Condition 11, (i) the "official level", "official close", "last price", "traded price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms, published by the Knock in Observation Price Source or Knock-out Observation Price Source, as applicable, or (ii) if "Standard Level" is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case determined by the Calculation Agent as of the Knock-in Valuation Time or Knock-out Valuation Time on any Knock-in Determination Day or Knock-out Determination Day, as applicable, or, in the case of the "official close" level, at such time as the official close is published by the Knock-in Observation Price Source or Knock-out Observation Price Source, as applicable;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Security Condition 2 (Market Disruption) and Index Security Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index Securities, Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (d) in the case of ETI Securities, ETI Security Condition 2 (Market Disruption) and ETI Security Condition 3 (Potential Adjustment Events);
- (e) in the case of Commodity Securities, Commodity Security Condition 2 (Market Disruption) and Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks);
- (f) in the case of Currency Securities, Currency Security Condition 2 (Disruption Events) and Currency Security Condition 3 (Consequences of a Disruption Event);
- (g) in the case of Futures Securities, Futures Security Condition 3 (Adjustments to a Future); and
- (h) in the case of Debt Securities, Debt Security Condition 3 (Market Disruption), Debt Security Condition 4 (Correction of Debt Instrument Price) and Debt Security Condition 5 (Redemption or Cancellation of a Debt Instrument); and

**"Underlying Reference"** means, for the purposes of this Condition 11, each Index, Custom Index, Share, Debt Instrument, ETI Interest, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant Notes relate.

## 12. AUTOMATIC EARLY REDEMPTION EVENT

- 12.1 If "Automatic Early Redemption" is specified as applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if on (i) any Automatic Early Redemption Valuation Date or (ii) in respect of an Automatic Early Redemption Valuation Period, as specified in the applicable Final Terms, an Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date at an amount equal to the relevant Automatic Early Redemption Amount.

Notwithstanding the preceding paragraph, an Automatic Early Redemption Event 1 may only occur on an AER 1 Redemption Valuation Date or in respect of an AER 1 Redemption Valuation Period and an Automatic Early Redemption Event 2 may only occur on an AER 2 Redemption Valuation Date or in respect of an AER 2 Redemption Valuation Period.

### 12.2 Definitions

**"AER Event 1 Underlying(s)"** means the Underlying Reference or each Underlying Reference comprising the Basket, in each case specified as such in the applicable Final Terms;

**"AER Event 2 Underlying(s)"** means the Underlying Reference or each Underlying Reference comprising the Basket, in each case specified as such in the applicable Final Terms;

**"AER Rate"** means the rate specified as such or determined in the manner set out in the applicable Final Terms;

**"Automatic Early Redemption Amount"** means, in respect of each nominal amount of Notes equal to the Calculation Amount, an amount in the Specified Currency equal to the Automatic Early Redemption Payout set out in the applicable Final Terms or if not set out an amount equal to the product of (i) the Calculation Amount and (ii) the sum of the relevant Automatic Early Redemption Percentage and the relevant AER Rate relating to that Automatic Early Redemption Date. If the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on redemption of the Note pursuant to this Condition;

**"Automatic Early Redemption Date"** means (i) if Target Automatic Early Redemption, FI Underlying Automatic Early Redemption or FI Coupon Automatic Early Redemption is specified as applicable in the applicable Final Terms, the Interest Payment Date immediately following the Automatic Early Redemption Valuation Date on which an Automatic Early Redemption Event occurs, or, otherwise, (ii) each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Noteholder shall be entitled to any interest or further payment in respect of such delay;

**"Automatic Early Redemption Event"** means:

- (a) if Target Automatic Early Redemption is specified as applicable in the applicable Final Terms, that the Cumulative Coupon is equal to or greater than the Automatic Early Redemption Percentage;
- (b) if FI Underlying Automatic Early Redemption is specified as applicable in the applicable Final Terms, that:
  - (i) (in respect of an Underlying Reference (other than a Subject Currency)) the Underlying Reference Level is; or
  - (ii) (in respect of a Subject Currency), the FX Coupon Performance determined by the Calculation Agent is,
    - (A) equal to or greater than the Automatic Early Redemption Level 1 and (B) less than or equal to the Automatic Early Redemption Level 2;
- (c) if FI Coupon Automatic Early Redemption is specified as applicable in the applicable Final Terms, that the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case in respect of the Current Interest Period is equal to or greater than the Automatic Early Redemption Percentage; or
- (d) if Standard Automatic Early Redemption and SPS AER Valuation are specified as applicable in the applicable Final Terms, that:
  - (i) the SPS AER Value 1 in respect of the AER Event 1 Underlying(s) is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level 1 as specified in the applicable Final Terms (the **"Automatic Early Redemption Event 1"**); and/or (as specified in the applicable Final Terms)
  - (ii) if Automatic Early Redemption Event 2 is specified as applicable in the applicable Final Terms, the SPS AER Value 2 in respect of the AER Event 2 Underlying(s) is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level 2 as specified in the applicable Final Terms (the **"Automatic Early Redemption Event 2"**);
- (e) if Standard Automatic Early Redemption is specified as applicable in the applicable Final Terms and SPS AER Valuation is specified as not applicable in the applicable Final Terms:
  - (i) (A) if AER Event 1 Basket is specified as not applicable in the applicable Final Terms, the Underlying Reference Level 1 or (B) if AER Event 1 Basket is specified as applicable in the applicable Final Terms, the Basket Price 1 is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level 1 as specified in the applicable Final Terms (the **"Automatic Early Redemption Event 1"**); and/or (as specified in the applicable Final Terms)

- (ii) if Automatic Early Redemption Event 2 is specified as applicable in the applicable Final Terms (A) if AER Event 2 Basket is specified as not applicable in the applicable Final Terms, the Underlying Reference Level 2 or (B) if AER Event 2 Basket is specified as applicable in the applicable Final Terms, the Basket Price 2 is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level 2 as specified in the applicable Final Terms (the "**Automatic Early Redemption Event 2**");

"**Automatic Early Redemption Level**" means the level, price, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Automatic Early Redemption Level 1**" means the level, price, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Automatic Early Redemption Level 2**" means the level, price, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

"**Automatic Early Redemption Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Automatic Early Redemption Valuation Date**" means each date specified as such in the applicable Final Terms (including the AER 1 Redemption Valuation Date and AER 2 Redemption Valuation Date (if any)) or, if such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, Debt Securities or ETI Securities), a Scheduled Custom Index Business Day (in respect of Custom Index Securities), a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or Business Day (in the case of other Notes), as applicable, the next following Scheduled Trading Day, Scheduled Custom Index Business Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, Commodity Securities, Debt Securities or ETI Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, Debt Securities or ETI Securities), a Custom Index Disruption Event is occurring on such day (in respect of Custom Index Securities) or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Custom Index Disruption Event is occurring or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Redemption Valuation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to "Automatic Early Redemption Valuation Date";

"**Automatic Early Redemption Valuation Period**" means the period (including the AER 1 Redemption Valuation Period and AER 2 Redemption Valuation Period (if any)) specified as such in the applicable Final Terms;

"**Automatic Early Redemption Valuation Time**" means the time specified as such in the applicable Final Terms;

**"Basket of Underlying References"** means, for the purposes of this Condition 12, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Debt Instruments, Basket of Commodities, Basket of Futures or other basis of reference to which the value of the relevant Notes may relate, as specified in the applicable Final Terms;

**"Basket Price 1"** means, in respect of any AER 1 Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each AER Event 1 Underlying comprising the Basket as the product of (a) the Underlying Reference Level 1 of such AER Event 1 Underlying on such AER 1 Redemption Valuation Date and (b) the relevant Weighting;

**"Basket Price 2"** means, in respect of any AER 2 Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each AER Event 2 Underlying comprising the Basket as the product of (a) the Underlying Reference Level 2 of such AER Event 2 Underlying on such AER 2 Redemption Valuation Date and (b) the relevant Weighting;

**"Cumulative Coupon"** means, in respect of an Automatic Early Redemption Valuation Date, (a) the sum of the values calculated for each Interest Period preceding the Current Interest Period as the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case for such Interest Period plus (b) the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case for the Current Interest Period;

**"Current Interest Period"** means, in respect of an Automatic Early Redemption Valuation Date, the Interest Period during which such Automatic Early Redemption Valuation Date falls;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Multiple Underlying Interest Rate Gearing"** means, in respect of an Underlying Interest Rate<sub>(i)</sub> specified in the applicable Final Terms as a Multiple Underlying Component Rate, the number specified as such in the applicable Final Terms;

**"Multiple Underlying Reference Rate"** means, in respect of an Underlying Interest Rate<sub>(i)</sub> specified in the applicable Final Terms as a Multiple Underlying Component Rate, the Underlying Reference Rate determined in respect of such Underlying Interest Rate;

**"Multiple Underlying Reference Rate Value"** means the value calculated in accordance with the following formula:

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Security Condition 2 (*Market Disruption*) and Index Security Condition 3 (*Adjustments to an Index*);
- (b) in the case of Custom Index Securities, Index Security Condition 6 (*Adjustments to a Custom Index and Custom Index Disruption*);
- (c) in the case of Share Securities, Share Security Condition 2 (*Market Disruption*), Share Security Condition 3 (*Potential Adjustment Events*) and Share Security Condition 4 (*Extraordinary Events*);
- (d) in the case of ETI Securities, ETI Security Condition 2 (*Market Disruption*) and ETI Security Condition 3 (*Potential Adjustment Events*);
- (e) in the case of Commodity Securities, Commodity Security Condition 2 (*Market Disruption*), Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) and Commodity Security Condition 4 (*Adjustments to a Commodity Index*);

- (f) in the case of Currency Securities, Currency Security Condition 3 (*Consequences of a Disruption Event*);
- (g) in the case of Futures Securities, Futures Security Condition 3 (*Adjustments to a Future*); and
- (h) in the case of Debt Securities, Debt Security Condition 3 (*Market Disruption*), Debt Security Condition 4 (*Correction of Debt Instrument Price*) and Debt Security Condition 5 (*Redemption or Cancellation of a Debt Instrument*);

"**SPS AER Value 1**" means the value specified from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**SPS AER Value 2**" means the value specified from Payout Condition 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Underlying Reference**" means, for the purposes of this Condition 12, each Index, Custom Index, Share, ETI Interest, Debt Instrument, Commodity, Commodity Index, Subject Currency, Future, Fund, Underlying Interest Rate or other basis of reference to which the relevant Notes relate. If two or more Underlying Interest Rates are specified in the applicable Final Terms as Multiple Underlying Component Rates each Underlying Interest Rate<sub>(i)</sub> specified as such (together the "**Multiple Underlying Interest Rate**") will be calculated separately and independently but for the purposes of this Condition 12 and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

"**Underlying Reference Level**" means, in respect of any Automatic Early Redemption Valuation Date, (i) "official level", "official close", "last price", "bid price" or "asked price" of the Underlying Reference or the Italian Securities Reference Price, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms, (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), (e) in the case of an Inflation Index, the Relevant Level, (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, (g) if FI Underlying Automatic Early Redemption is specified as applicable in the applicable Final Terms and Multiple Underlying Interest Rate is specified as applicable, Multiple Underlying Reference Rate Value, in each case, as determined by the Calculation Agent as of the Automatic Early Redemption Valuation Time on such Automatic Early Redemption Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Redemption Valuation Date as the "official close" level is published by the Observation Price Source;

"**Underlying Reference Level 1**" means, in respect of any AER 1 Redemption Valuation Date, (i) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms, (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant AER Event 1 Underlying, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant AER Event 1 Underlying, (c) in the case of Commodity Securities, the Relevant Price, (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), or (e) in the case of an Inflation Index, the Relevant Level, (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, in each case, as determined by the Calculation Agent as of the Automatic Early Redemption Valuation Time on such AER 1 Redemption Valuation Date or (ii) in the case of Debt Securities, the "last price" of the relevant AER Event 1 Underlying published by the Observation Price Source specified for such AER Event 1 Underlying; and

**"Underlying Reference Level 2"** means, in respect of any AER 2 Redemption Valuation Date, (i) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms, (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant AER Event 2 Underlying, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant AER Event 2 Underlying, (c) in the case of Commodity Securities, the Relevant Price, (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), (e) in the case of an Inflation Index, the Relevant Level, or (f) in the case of an Underlying Interest Rate, the Underlying Reference Rate, in each case, as determined by the Calculation Agent as of the Automatic Early Redemption Valuation Time on such AER 2 Redemption Valuation Date or (ii) in the case of Debt Securities, the "last price" of the relevant AER Event 2 Underlying published by the Observation Price Source specified for such AER Event 2 Underlying.

### 12.3 Accrual

Notwithstanding Condition 3.12, if FI Underlying Automatic Early Redemption and Accrual to Automatic Early Redemption are specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs on an Automatic Early Redemption Valuation Date, interest will cease to accrue on such Automatic Early Redemption Valuation Date.

### 12.4 AER Rate Determination

Where the applicable Final Terms specify that the AER Rate is determined by reference to a Screen Rate the AER Rate will, subject as provided below, be either:

- (a) the offered quotation; or
- (b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the AER Reference Rate(s) which appears or appear, as the case may be, on the AER Screen Page (or such replacement page on that service which displays the information) as at the AER Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the AER Reference Rate Determination Date in question plus or minus (as indicated in the applicable Final Terms) the AER Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the AER Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the AER Screen Page is not available or if, in the case of subparagraph (a), no offered quotation appears or, in the case of subparagraph (b), fewer than three offered quotations appear, in each case as at the AER Specified Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the AER Reference Rate at approximately the AER Specified Time on the AER Reference Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the AER Rate shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the AER Margin (if any), all as determined by the Calculation Agent.

If on any AER Reference Rate Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the AER Rate shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the AER Specified Time on the relevant AER Reference Rate Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the AER Reference Rate by leading banks in the inter-bank market applicable to the AER Reference Rate (which will be the London inter-bank market, if the AER Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the AER Reference Rate is EURIBOR) plus or minus (as appropriate) the AER Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the AER Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the AER Reference Rate, at which, at approximately the AER Specified Time on the relevant AER Reference Rate Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the AER Reference Rate (which will be the London inter-bank market, if the AER Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the AER Reference Rate is EURIBOR) plus or minus (as appropriate) the AER Margin (if any), provided that, if the AER Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Calculation Agent shall determine the AER Rate from such source(s) as it acting in good faith and in a commercially reasonable manner may select.

If the applicable Final Terms specifies a Minimum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is less than such Minimum AER Reference Rate, the AER Rate shall be such Minimum AER Reference Rate.

If the applicable Final Terms specifies a Maximum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is greater than such Maximum AER Reference Rate, the AER Rate shall be such Maximum AER Reference Rate.

### 13. DEFINITIONS

"**Averaging Date**" means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 2)), Share Securities, ETI Securities, Debt Securities or Futures Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:
  - (i) if "Omission" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant value, level, price or amount provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
  - (ii) if "Postponement" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant value, level, price or amount on that Averaging Date as if such Averaging Date were a

Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

- (iii) if "Modified Postponement" is specified as applying in the applicable Final Terms then:
- (A) where the Notes are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest or Futures Securities relating to a single Future, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant value, level, price or amount for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below;
  - (B) where the Notes are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for the Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(ii) of the definition of "Valuation Date" below;
  - (C) where the Notes are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket or Futures Securities relating to a Basket of Futures, the Averaging Date for each Index, Share, ETI Interest or Future not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, ETI Interest or Future affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest or Future. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest or Future has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest or Future and (II) the Calculation Agent shall determine the relevant value, level, price or amount for that Averaging Date in accordance with subparagraph (a)(iii) of the definition of "Valuation Date" below; and
  - (D) where the Notes are Index Securities relating to a Basket of Component Security Indices, the Averaging Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date, and for each

Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below; or

- (b) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) shall apply;

"**Account Information Cut-off Date**" has the meaning given to such term in Condition 4(c).

"**Disrupted Amount**" has the meaning given to such term in Condition 4(a)(II).

"**Disrupted Payment Date**" has the meaning given to such term in Condition 4(a)(II).

"**Dual Exchange Rate Event**" has the meaning given to such term in Condition 4(c).

"**FX Disruption Event**" has the meaning given to such term in Condition 4(c).

"**FX Disruption Notice**" has the meaning given to such term in Condition 4(c).

"**FX Settlement Disruption Currency**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Cut-off Date**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Event**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Exchange Rate**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Expenses**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Notice**" is as defined in Condition 4(a)(II).

"**Illiquidity Disruption**" has the meaning given to such term in Condition 4(c).

"**Inconvertibility Event**" has the meaning given to such term in Condition 4(c).

"**Issuer Account Information Notice**" has the meaning given to such term in Condition 4(c).

"**Italian Dematerialised Notes**" has the meaning given to such term in Condition 1.1.

"**Italian Listed Notes**" means Notes which are listed and admitted to trading on the MOT Market, organised and managed by Borsa Italiana S.p.A.

"**Monte Titoli**" has the meaning given to such term in Condition 1.1.

"**Non-Transferability Event**" has the meaning given to such term in Condition 4(c).

"**Noteholder Account Information Notice**" has the meaning given to such term in Condition 4(c).

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Scheduled Trading Day (in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities) or Commodity Business Day (in the case of Commodity Securities), the immediately following Scheduled Trading Day or Commodity Business Day, as applicable. The provisions contained in the definition of "Averaging Date" shall apply if any such day is a Disrupted Day or, in the case of Commodity Securities, a day on which a Market Disruption Event has occurred or is continuing, *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date" unless Observation Day Disruption Consequences is specified as not applicable in the applicable Final Terms, in which case such date will be an Observation Date notwithstanding the occurrence of a Disrupted Day and (i) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, the provisions of (a)(i)(B), (a)(ii), (a)(iii)(B) or (a)(iv), as applicable, of the definition of "Valuation Date" will apply for the purposes of determining the relevant value, level, price or amount on such Observation Date as if such Observation Date were a Valuation Date that was a Disrupted Day or (ii) in the case of Commodity Securities the provisions of Commodity Security Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) will apply;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Postponed DE Payment Date"** has the meaning given to such term in Condition 4(c).

**"Price Materiality Event"** means that, in respect of the determination of any Settlement Currency Exchange Rate, the Calculation Agent determines that the rate derived at the relevant time from the source specified in the Final Terms differs from the rate that would be derived at the relevant time from a source that the Calculation Agent deems, acting in good faith and in a commercially reasonable manner having taken into account any relevant market practice, to be equivalent, by more than 3 per cent.

**"Reference Jurisdiction"** has the meaning given to such term in Condition 4(c).

**"Relevant Currency"** is as defined in Condition 4(a).

**"Scheduled Closing Time"** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject, in respect of Index Securities, to subparagraphs (b) and (c) of the definition of Valuation Time, and subject, in respect of Share Securities, to subparagraph (c) of the definition of Valuation Time;

**"Scheduled Strike Date"** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been the Strike Date;

**"Settlement Currency"** means the currency specified as such in the applicable Final Terms or, if no such currency is specified, the Specified Currency.

**"Settlement Currency Exchange Rate"** means in respect of a Settlement Currency Exchange Rate Observation Date, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived) between the currencies and from the source(s) and at the time in each case specified in the applicable Final Terms on such day, as determined by the Calculation Agent, provided that if any source specified in the applicable Final Terms is not available or the Calculation Agent determines that there has been a Price Materiality Event, any such rate of exchange may be determined by the Calculation Agent by reference to such sources as it, any such rate of exchange may be determined by the Calculation Agent by reference to such sources as it considers to be appropriate, acting in good faith and in a commercially reasonable manner, having taken into account any relevant market practice.

**"Settlement Currency Exchange Rate Observation Date"** means the date falling the number of Business Days specified in the applicable Final Terms prior to the relevant scheduled payment date in respect of the Notes.

**"Specified Currency Amount"** has the meaning given to such term in Condition 4(c).

**"Specified Exchange Rate"** means the rate of exchange specified in the applicable Final Terms.

**"Specified Maximum Days of Disruption"** means (other than with respect to Commodity Securities, Custom Index Securities and Currency Securities) eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms, with respect to Currency Securities, five Scheduled Trading Days, with respect to Custom Index Securities, twenty Custom Index Business Days and with respect to Commodity Securities, five Commodity Business Days;

**"Strike Date"** means,

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, the Strike Date specified in the applicable Final Terms, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If any such day is a Disrupted Day, then:
  - (i) where the Notes are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the relevant level or price:
    - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
    - (B) in the case of Share Securities, ETI Securities, Debt Securities or Futures Securities, in accordance with its good faith estimate of the relevant value, level, price or amount as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
  - (ii) where the Notes are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:

- (A) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Strike Date; and
- (B) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Strike Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (iii) where the Notes are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a Basket of Futures, the Strike Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date and the Strike Date for each Index, ETI Interest, Share, Debt Instrument or Future affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item:

- (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
- (B) in the case of a Share, ETI Interest, Debt Instrument or Future, its good faith estimate of the value, level, price or amount for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; or

(iv) where the Notes are Index Securities relating to a Basket of Component Security Indices, the Strike Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:

(A) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Strike Date; and

(B) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Strike Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

(b) in the case of Commodity Securities, the Initial Pricing Date; or

(c) in the case of Underlying Interest Rate Securities, the Strike Date specified as such in the applicable Final Terms;

"**Strike Day**" means each date specified as such in the applicable Final Terms and, if Averaging Date Consequences are specified as applicable in the applicable Final Terms, the provisions contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Strike Day";

"**Strike Period**" means the period specified as such in the applicable Final Terms;

"**Unscheduled Holiday**" has the meaning given to such term in Condition 4(c).

"**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not or is deemed not to occur;

"**Valuation Date**" means:

(a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, the Interest Valuation Date, the Automatic Early Redemption Valuation Date and/or the Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled

Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (i) where the Notes are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level, price or amount:
  - (I) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (II) in the case of Share Securities, ETI Securities, Debt Securities or Futures Securities, in accordance with its good faith estimate of the relevant value, level, price or amount as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (ii) where the Notes are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:
  - (I) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and
  - (II) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected

Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (iii) where the Notes are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a Basket of Futures, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price using, in relation to the Affected Item, the value, level, price or amount as applicable, determined using:
  - (I) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (II) in the case of a Share, ETI Interest, Debt Instrument or Future, its good faith estimate of the value, level, price or amount for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (iv) where the Notes are Index Securities relating to a Basket of Component Security Indices, the Valuation Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:
  - (I) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and

- (II) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (b) in the case of Commodity Securities, the Final Pricing Date,
- and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Valuation Time specified in the applicable Final Terms; or
- (b) if not set out in the applicable Final Terms, in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (i) for the purposes of determining whether a Market Disruption Event has occurred (A) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (B) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or
- (c) if not set out in the applicable Final Terms, in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities, unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index, Share or ETI Interest to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

#### **14. PRESCRIPTION**

Claims for payment of principal in respect of the Notes shall be prescribed upon the expiry of 10 years from the due date thereof and claims for payment of interest (if any) in respect of the Notes shall be prescribed upon the expiry of five years, from the due date thereof. There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 14 or Condition 4 above.

## 15. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

If any Note (other than Italian Dematerialised Notes but including any Global Note), Receipt, Coupon or Talon is mutilated, defaced, stolen, destroyed or lost it may be replaced at the specified office of the Principal Paying Agent or the Registrar, as the case may be, upon payment by the claimant of the costs incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued. Cancellation and replacement of Notes, Receipts, Coupons or Talons shall be subject to compliance with such procedures as may be required under any applicable law and subject to any applicable stock exchange requirements.

## 16. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the Issue Date, the Issue Price, the amount and date of the first interest payment thereon (if any) and/or the date from which interest starts to accrue (if any), such further notes being consolidated with and forming a single series with the Notes.

## 17. NOTICES

17.1 All notices to the holders of Registered Notes will be valid if mailed to their registered addresses. All notices regarding the Italian Dematerialised Notes, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli.

17.2 All notices regarding Notes, both Bearer and Registered and Italian Dematerialised Notes, will be valid if published once (i) in a leading English language daily newspaper with general circulation in Europe (which is expected to be the *Financial Times*) or in the CNY Settlement Centre(s) (in the case of Notes denominated in CNY), and (ii) so long as the Notes of this Series are listed and admitted to trading on (A) Euronext Paris in a leading daily newspaper of general circulation in France (which is expected to be *La Tribune* or *Les Échos*) or (B) the Official List of the Luxembourg Stock Exchange and so long as the rules of that exchange so require, in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort* or the *Tageblatt*) or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). or (iii) in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the *Autorité des marchés financiers* and so long as such Notes are listed and admitted to trading on any Regulated Market, in a leading daily newspaper with general circulation in the city/ies where the Regulated Market on which such Notes is/are listed and admitted to trading. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication. Receiptholders and Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders of this Series in accordance with this Condition.

17.3 Until such time as any definitive Notes are issued, there may, so long as all the Global Note(s) for this Series (whether listed or not) is or are held in its or their entirety on behalf of Euroclear and Clearstream, Luxembourg, be substituted, in relation only to such Series, for such publication as aforesaid in Condition 17.2, the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the Noteholders except that if the Notes are listed on a stock exchange and the rules of that stock exchange so require, the relevant notice will in any event be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange. Any such notice shall be deemed to have been given to the Noteholders on the second day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg.

17.4 Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Principal Paying Agent. Whilst any Notes are represented by a Global Note,

such notice may be given by a Noteholder to the Principal Paying Agent via Euroclear and/or Clearstream, Luxembourg as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg may approve for this purpose.

- 17.5 All notices given to Noteholders (irrespective of how given) shall also be delivered in writing to Euroclear and Clearstream, Luxembourg and, in the case of listed Notes, to the relevant stock exchange, unless such Notes are Italian Dematerialised Notes which are also Italian Listed Notes, in which case such notices should also be delivered in writing to Borsa Italiana S.p.A.
- 17.6 Until such time as any definitive Notes are issued, for so long as the Notes are represented by a Global Note and such Global Note is held on behalf of CMU, notices to the Noteholders may be given by delivery of relevant notice to the CMU Lodging Agent for communication to the CMU participants or to the persons shown in a CMU Instrument Position Report issued by the CMU on the Business Day preceding the date of dispatch of such notice as holding interests in the Global Note. Any such notice shall be deemed to have been given to the Noteholders on the second Business Day after such notice has been sent.

## **18. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

The Note Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any provisions of the Note Agency Agreement. Such a meeting may be convened by the Issuer, the Guarantor (if any) or Noteholders holding not less than 5 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any such adjourned meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. The Note Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the provisions of the Note Agency Agreement by a majority consisting of not less than three-fourths or (ii) consent given by way of electronic consents through the relevant clearing system(s) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. Extraordinary Resolutions may also be passed in writing if signed by holders of not less than 90 per cent in nominal amount of the Notes. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Receiptholders and Couponholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification of the Notes, the Receipts, the Coupons or the Note Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Receipts, the Coupons or the Note Agency Agreement which is of a formal, minor or technical nature or to cure, correct or supplement any defective provision or is made to cure, correct or supplement a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 17 as soon as practicable thereafter.

## **19. AGENTS AND REGISTRAR**

19.1 In acting under the Note Agency Agreement, the Agents will act solely as agents of each of the Issuer and Guarantor (if applicable) do not assume any obligations or relationship of agency or trust to or with the Noteholders, Receiptholders or Couponholders, except that (without affecting the obligations of the Issuer and the Guarantor (if applicable) to the Noteholders, Receiptholders and Couponholders, to repay Notes and pay interest thereon) funds received by the Principal Paying Agent for the payment of the principal of or interest on the Notes shall be held by it in trust for the Noteholders and/or Receiptholders or Couponholders until the expiration of the relevant period of prescription under Condition 14. The Issuer will agree to perform and observe the obligations imposed upon it under the Note Agency Agreement. The Note Agency Agreement contains provisions for the indemnification of the Paying Agents and for relief from responsibility in certain circumstances, and entitles any of them to enter into business transactions with the Issuer and any of its subsidiaries without being liable to account to the Noteholders, Receiptholders or the Couponholders for any resulting profit.

19.2 Discretion

Notwithstanding anything to the contrary in these Conditions, where the Notes are Italian Listed Notes, in exercising its discretion and making a determination, the Issuer, the Calculation Agent and any other relevant Agent shall do so in good faith and in accordance with the then current market practice.

## **20. SUBSTITUTION**

20.1 Notes issued by BNPP B.V.

(a) The Issuer, or any previous substituted company may, at any time, without the consent of the Noteholders, substitute for itself as principal obligor under the Notes any company (the "**Substitute**"), being the Issuer or any other company, subject to:

- (i) where the Substitute is not BNPP, BNPP unconditionally and irrevocably guaranteeing in favour of each Noteholder the performance of all obligations by the Substitute under the Notes;
- (ii) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Notes represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
- (iii) the Substitute becoming party to the Note Agency Agreement (unless the Substitute is already a party to the Note Agency Agreement) with any appropriate consequential amendments, as if it had been an original party to it;
- (iv) each stock exchange on which the Notes are listed having confirmed that, following the proposed substitution of the Substitute, the Notes will continue to be listed on such stock exchange;
- (v) if appropriate, the Substitute having appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes; and

- (vi) the Issuer having given at least 30 days' prior notice of the date of such substitution to the Noteholders in accordance with Condition 17.
- (b) BNPP or any previous substituted company may, at any time, without the consent of the Noteholders, substitute for itself as guarantor in respect of the Notes any company (the "**Substitute BNPP Guarantor**"), being BNPP or any other company, subject to:
- (i) the creditworthiness of the Substitute BNPP Guarantor at such time being at least equal to the creditworthiness of BNPP (or of any previous substitute under this Condition), as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to, inter alia, the long term senior debt ratings (if any) assigned by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and/or Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute BNPP Guarantor or, as the case may be, to BNPP (or to any previous substitute under this Condition);
  - (ii) the Substitute BNPP Guarantor having entered into a guarantee (the "**Substitute BNPP Guarantee**") in respect of the Notes in substantially the same form as the relevant BNPP Note Guarantee and such other documents (if any) as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute BNPP Guarantor shall undertake in favour of each Noteholder to be bound by these Terms and Conditions and the provisions of the Note Agency Agreement as fully as if the Substitute BNPP Guarantor had been named in these Terms and Conditions, the Documents and the Note Agency Agreement as the guarantor in respect of the Notes in place of BNPP (or of any previous substitute under this Condition);
  - (iii) the Substitute BNPP Guarantee and the Documents having been delivered to BNP Paribas Securities Services, Luxembourg Branch to be held by BNP Paribas Securities Services, Luxembourg Branch for so long as any Notes remain outstanding and for so long as any claim made against the Substitute BNPP Guarantor or the Issuer by any Noteholder in relation to the Notes, the Substitute BNPP Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
  - (iv) each stock exchange on which the Notes are listed having confirmed that following the proposed substitution of the Substitute BNPP Guarantor (or of any previous substitute under this Condition) it will continue to list the Notes;
  - (v) if appropriate, the Substitute BNPP Guarantor having appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes or the Substitute BNPP Guarantee; and
  - (vi) BNPP (or any previous substitute under this Condition) having given at least 30 days' prior notice of the date of such substitution to the Noteholders in accordance with Condition 17.

Notwithstanding the foregoing, in the case of Italian Listed Notes, BNPP may not be substituted as guarantor in respect of such Notes.

## 20.2 Notes issued by BP2F

In the case of Notes issued by BP2F or any previously substituted company, the Issuer, or any previous substituted company, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes, the Coupons and the Talons any company (the "**Substitute**") which is the Guarantor or a subsidiary of the Guarantor, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the "**Deed Poll**"), in such form as may be agreed between BP2F and the Substitute and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder and Couponholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note, Coupon or Talon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) where the Substitute is not the Guarantor, the obligations of the Substitute under the Deed Poll, the Notes, Coupons and Talons shall be unconditionally and irrevocably guaranteed by the Guarantor by means of the Deed Poll, (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Coupons and Talons represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Deed Poll (where the Substitute is not the Guarantor), of the Guarantor have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Note Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (v) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (i) above and in England as to the fulfilment of the preceding conditions of this Condition 20.2 and the other matters specified in the Deed Poll and (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, stating that copies or, pending execution, the agreed text of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified offices of each of the Paying Agents. References in Condition 8 (*Events of Default and Enforcement*) to obligations under the Notes shall be deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, the events listed in Condition 8 (*Events of Default and Enforcement*) shall be deemed to include that guarantee not being (or being claimed by the Guarantor not to be) in full force and effect. The Issuer and the Substitute shall also comply with the relevant rules and regulations of any competent authority, stock exchange and/or quotation system on which the Notes are admitted to listing, trading and/or quotation.

## **21. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

The Notes shall not confer any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **22. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **22.1 Governing law**

The Note Agency Agreement, the Deed of Covenant, the Guarantees, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Note Agency Agreement, the Deed of Covenant, the Guarantees, the Notes (except as aforesaid), the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law. Notwithstanding this, with respect to Italian Dematerialised Notes, the registration and transfer of the Italian Dematerialised Notes in Monte Titoli shall be governed by, and shall be construed in accordance with, Italian law.

### **22.2 Submission to jurisdiction**

The courts of England shall have jurisdiction to settle all disputes which may, directly or indirectly, arise out of or in connection with the Notes, the Guarantees, the Receipts and/or the Coupons (including any disputes relating to any non-contractual obligations arising out of or in connection with the Notes, the Guarantees, the Receipts and/or the Coupons) (a "**Dispute**") and each of the Issuer and the Guarantor submits and each Noteholder (by its acquisition of a Note) is deemed to submit to the jurisdiction of the English courts. For the purposes of this Condition, each of the Issuer and the Guarantor waives and each Noteholder (by its acquisition of a Note) is deemed to waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

### 22.3 **Appointment of Process Agent**

Each Issuer and Guarantor hereby appoints BNP Paribas, London branch, currently of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department) as its agent in England to receive service of process in England in any proceedings in England relating to the Notes, the Guarantee, the Receipts and/or the Coupons, as the case may be. If for any reason such process agent ceases to act as such or no longer has an address in England each Issuer and Guarantor agrees to appoint a substitute process agent and to notify the Noteholders of such appointment. Nothing in these provisions shall affect the right to serve process in any other manner permitted by law.

### 22.4 **Other documents**

The Issuer and the Guarantor have in the Note Agency Agreement, the Guarantees and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

### 22.5 **Waiver of trial by jury**

WITHOUT PREJUDICE TO CONDITION 22.2, THE ISSUER WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THE NOTES, THE RECEIPTS AND THE COUPONS. THESE CONDITIONS MAY BE FILED AS A WRITTEN CONSENT TO A BENCH TRIAL.

## ANNEX 1

### ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

The following terms and conditions (the "**Payout Conditions**"), subject to completion in the applicable Final Terms, relate to the payouts in respect of the Securities. In particular, certain sections of the Payout Conditions will be set out and completed in the applicable Final Terms. In the event of any inconsistency between the terms and conditions of the Notes (the "**Conditions**") and the Payout Conditions, the Payout Conditions shall prevail. The descriptions of the payouts, coupon rates and entitlement amounts and/or related provisions included in italics below do not form part of the Payout Conditions, are included for information purposes only and are subject to the detailed terms of the relevant payout, coupon rate or entitlement amount, as applicable.

**1. THIS SECTION IS INTENTIONALLY LEFT BLANK**

**2. SPS COUPON RATES, PAYOUTS AND ENTITLEMENT AMOUNTS**

**2.1 SPS Coupon Rates**

The following Coupon Rate(s) will apply to the Securities if specified in the applicable Final Terms:

**(a) SPS Fixed Coupon**

If SPS Fixed Coupon is specified as applicable in the applicable Final Terms:

Rate<sub>(i)</sub>.

*Description of the Coupon Rate*

*A SPS Fixed Coupon provides that the Securities bear or pay interest at a specified rate for the relevant period.*

**(b) SPS Variable Amount Coupon**

If SPS Variable Amount Coupon is specified as applicable in the applicable Final Terms:

Rate<sub>(i)</sub>.

*Description of the Coupon Rate*

*A SPS Variable Amount Coupon provides that the Securities bear or pay interest at a specified floating or variable rate for the relevant period.*

**(c) Digital Coupon**

If Digital Coupon is specified as applicable in the applicable Final Terms:

(i) If the Digital Coupon Condition is satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub> or SPS Coupon Valuation Period<sub>(i)</sub>, as applicable:

Rate<sub>(i)</sub>; or

(ii) if the Digital Coupon Condition is not satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub> or SPS Coupon Valuation Period<sub>(i)</sub>, as applicable:

zero.

***Description of the Coupon Rate***

*A Digital Coupon provides that the Securities bear or pay interest at a specified rate for the relevant period if a specified condition is met. If the condition is not met then the Securities will pay no interest for that period.*

**(d) Snowball Digital Coupon**

If Snowball Digital Coupon is specified as applicable in the applicable Final Terms:

- (i) if the Snowball Digital Coupon Condition is satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub> or SPS Coupon Valuation Period<sub>(i)</sub>, as applicable:

$$\text{Rate}_{(i)} + \text{SumRate}_{(i)}$$

Where "Sum Rate<sub>(i)</sub>" means the sum of Rate<sub>(i)</sub> for each SPS Coupon Valuation Date or SPS Coupon Valuation Period, as applicable, in the period from (but excluding) the last occurring Snowball Date (or if none the Issue Date) to (but excluding) the relevant SPS Coupon Valuation Date or SPS Coupon Valuation Period; or

- (ii) if the Snowball Digital Coupon Condition is not satisfied in respect of SPS Coupon Valuation Date<sub>(i)</sub> or SPS Coupon Valuation Period<sub>(i)</sub>, as applicable:

zero.

***Description of the Coupon Rate***

*A Snowball Digital Coupon provides that the Securities bear or pay interest on the basis of a Digital Coupon Condition but with a memory effect. Any interest not paid in respect of a period may be paid at a later date if certain conditions are met.*

**(e) Accrual Digital Coupon**

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

$$\text{Rate}_{(i)} \times (n/N)$$

Where:

"n" is the number of AC Digital Days in the relevant SPS Coupon Valuation Period<sub>(i)</sub> on which the AC Digital Coupon Condition is satisfied; and

"N" is the number of AC Digital Days in the relevant SPS Coupon Valuation Period<sub>(i)</sub>.

***Description of the Coupon Rate***

*An Accrual Digital Coupon provides that the Securities bear or pay interest on the basis of a rate calculated by reference to the number of AC Digital Days on which a specified condition is satisfied in the relevant period.*

**(f) Stellar Coupon**

If Stellar Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max} (\text{Min Coupon}(i), \frac{1}{K} \sum_{k=1}^K \text{Max} [\text{Floor Percentage}(i), \text{Min}(\text{Cap Percentage}(i), \text{Coupon Value} (i, k))] - \text{Strike Percentage}(i))$$

**Description of the Coupon Rate**

A Stellar Coupon provides that the Securities bear or pay interest, in respect of the relevant period on the basis of a rate calculated by reference to a basket of Underlying References with the value of each Underlying Reference being subject to a cap and a floor. The rate is also subject to a floor.

(g) **Cappuccino Coupon**

If Cappuccino Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max} (\text{Min Coupon}(i), \frac{1}{K} \times \sum_{k=1}^K [\text{Max} (\text{Floor Percentage}(i), \text{Barrier Value}(i,k))] - \text{Strike Percentage}(i))$$

Where "Barrier Value" is:

- (i) if the Barrier Condition for the relevant Underlying Reference is satisfied in respect of the relevant SPS Coupon Valuation Date:

Cap Percentage<sub>(i)</sub>; or

- (ii) if the Barrier Condition for the relevant Underlying Reference is not satisfied in respect of the relevant SPS Coupon Valuation Date:

Coupon Value<sub>(i,k)</sub>.

**Description of the Coupon Rate**

A Cappuccino Coupon provides that the Securities bear or pay interest on the basis of a rate calculated by reference to the average value of a basket of Underlying References where each value is floored and may be set at a fixed percentage (the Cap Percentage) if certain conditions are met.

(h) **Ratchet Coupon**

If Ratchet Coupon is specified as applicable in the applicable Final Terms:

- (i) if Local Cap Percentage is specified as not applicable in the applicable Final Terms:

$$\text{Max} \left[ \sum_{q \text{ in } Q(i)} \text{Max}(\text{Coupon Value}(q) - \text{Strike Percentage}(i), \text{Local Floor Percentage}(i)), \text{Global Floor Percentage}(i) \right]$$

- (ii) if Local Cap Percentage is specified as applicable in the applicable Final Terms:

$$\text{Max} \left[ \sum_{q \text{ in } Q(i)} \text{Max} (\text{Min}(\text{Coupon Value}(q) - \text{Strike Percentage}(i), \text{Local Cap Percentage}(i)), \text{Local Floor Percentage}(i)), \text{Global Floor Percentage}(i) \right]$$

**Description of the Coupon Rate**

A Ratchet Coupon provides that the Securities bear or pay interest in respect of the relevant period on the basis of a rate calculated by reference to the sum of two or more rates, in each case subject to a floor and if applicable a cap.

(i) **Driver Coupon**

If Driver Coupon is specified as applicable in the applicable Final Terms:

$$\text{Max} (\text{Min Coupon}(i), \frac{1}{K} \sum_{k=1}^K \text{Max} (\text{Floor Percentage}(i), \text{Modified Value}(i,k)) - \text{Strike Percentage}(i))$$

Where:

"**Modified Value(i,k)**" is:

- (i) if the Coupon Value(i,k) is one of the nfixed greatest value in the Basket of the Underlying References:

Driver Percentage; or

- (ii) otherwise:

Coupon Value(i,k).

**Description of the Coupon Rate**

*A Driver Coupon provides that the Securities bear or pay interest in respect of the relevant period on the basis of a rate calculated by reference to the average performance of a Basket of Underlying References with the Underlying Reference with the "nfixed" highest value being replaced by a fixed percentage (the Driver Percentage).*

(j) **Nova Coupon**

If Nova Coupon is specified as applicable in the applicable Final Terms:

- (i) if Cap Percentage is specified as not applicable in the applicable Final Terms:

$$\text{Constant Percentage}(i) + \text{Gearing}(i) \times \text{Max} \left[ \left( \text{Coupon Value}(i) \right)^{\frac{1}{T}} - \text{Strike Percentage}(i) + \text{Spread}(i), \text{Floor Percentage}(i) \right]$$

- (ii) if Cap Percentage is specified as applicable in the applicable Final Terms:

$$\text{Constant Percentage}(i) + \text{Min} \left( \text{Cap Percentage}(i), \text{Gearing}(i) \times \text{Max} \left[ \left( \text{Coupon Value}(i) \right)^{\frac{1}{T}} - \text{Strike Percentage}(i) + \text{Spread}(i), \text{Floor Percentage}(i) \right] \right)$$

**Description of the Coupon Rate**

*A Nova Coupon provides that the Securities bear or pay interest on the basis of a rate calculated by reference to the value of Underlying Reference(s). The rate is also subject to a floor and if applicable a cap.*

(k) **Sum Coupon**

If Sum Coupon is specified in the applicable Final Terms:

$$\sum_{a=1}^A CW_a(i) \times \prod_{b=1}^B (\text{Additional Coupon}_{a,b}(i))$$

Where:

"CW" is the relevant Coupon Weighting;

"A" is the number specified as such in the applicable Final Terms; and

"B" is the number specified as such in the applicable Final Terms.

***Description of the Coupon Rate***

*A Sum Coupon provides that the Securities bear or pay interest in respect of the relevant period on the basis of a rate calculated as the weighted sum of two or more interest rates provided in the Conditions and specified in the applicable Final Terms.*

(l) **Option Max Coupon**

If Option Max Coupon is specified as applicable in the applicable Final Terms:

$$\frac{A}{a+1} \text{Max}([\text{Additional Coupon}(i)]_a).$$

where "A" is the number specified as such in the applicable Final Terms.

***Description of the Coupon Rate***

*An Option Max Coupon provides that the Securities bear or pay interest in respect of the relevant period on the basis of a rate calculated as the maximum of two or more interest rates provided in the Conditions and specified in the applicable Final Terms.*

2.2 **SPS Final Payouts**

The following final payouts which when multiplied by the applicable NA (each a "**Final Payout**") will apply to the Securities if specified in the applicable Final Terms:

(a) **SPS Fixed Percentage Securities**

If the Securities are specified in the applicable Final Terms as being SPS Fixed Percentage Securities:

Constant Percentage 1

***Description of the Payout***

*The Payout comprises a fixed percentage equal to the Constant Percentage 1*

(b) **SPS Reverse Convertible Securities**

(i) **SPS Reverse Convertible Securities**

If the Securities are specified in the applicable Final Terms as being SPS Reverse Convertible Securities:

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

Constant Percentage 1; or

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

Max (Constant Percentage 2 + Gearing × Option; 0%)

Where:

**"Option"** means Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

**"EDS"** means  $\text{Max}(\text{Floor Percentage}, \text{Min}(\text{Constant Percentage} - n\text{EDS} \times \text{Loss Percentage}, 0\%))$ ;

**"nEDS"** means the number of Underlying Reference(s) in the Basket in respect of which the Final Redemption Value is (i) less than or equal to or (ii) less than, as specified in the applicable Final Terms, EDS Barrier Percentage;

**"Forward"** means Final Redemption Value – Strike Percentage;

**"Put"** means  $\text{Max}(\text{Strike Percentage} - \text{Final Redemption Value}; 0)$ ; and

**"Put Spread"** means  $\text{Min}(\text{Max}(\text{Strike Percentage} - \text{Final Redemption Value}; 0); \text{Cap Percentage})$ ,

Provided That (aa) if the provisions of sub-paragraph (A) of this Payout Condition 2.2(b)(i) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Payout Condition 2.2(b)(i) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Redemption Amount, as applicable, will be payable and Physical Delivery will apply.

#### ***Description of the Payout***

*The Payout comprises:*

- *if no Knock-in Event has occurred, a fixed percentage equal to the Constant Percentage 1;*
- *if a Knock-in Event has occurred and Option is Put or Put Spread indexation to the value of the Underlying Reference(s) up to the Strike Percentage; or*
- *if a Knock-in Event has occurred and Option is Forward, indexation to the value of the Underlying Reference(s); or*
- *If a Knock-in Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage. When Gearing is positive the higher the number of Underlying References with a value above this barrier the higher the Percentage.*
- *Physical Delivery may also apply.*

#### **(ii) SPS Reverse Convertible Standard Securities**

If the Securities are specified in the applicable Final Terms as being SPS Reverse Convertible Standard Securities:

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

100%; or

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

Min (100%, Final Redemption Value).

***Description of the Payout***

*The Payout comprises:*

- *if no Knock-in Event has occurred, 100 per cent.; or*
- *if a Knock-in Event has occurred, the minimum of 100 per cent. and indexation to the value of the Underlying Reference(s).*

(c) **SPS Vanilla Products**

(i) **Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Call Securities:

Constant Percentage 1 + Gearing\*Max (Final Redemption Value - Strike Percentage, Floor Percentage)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive, a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

(ii) **Vanilla Call Spread Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Call Spread Securities:

Constant Percentage 1 + Gearing \* Min (Max (Final Redemption Value - Strike Percentage; Floor Percentage), Cap Percentage)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive, a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level. The maximum level is equal to the Cap Percentage.*

(iii) **Vanilla Put Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Put Securities:

Constant Percentage 1 + Gearing \* Max (Strike Percentage - Final Redemption Value; 0)

***Description of the Payout***

*The Payout comprises:*

- *if Gearing is positive a fixed percentage equal to Constant Percentage or if Gearing is negative, no fixed percentage; and*

- *indexation to the value of the Underlying Reference(s) below the Strike Percentage.*

(iv) **Vanilla Put Spread Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Put Spread Securities:

Constant Percentage 1 + Gearing \* Min (Max (Strike Percentage - Final Redemption Value; 0); Cap Percentage)

**Description of the Payout**

*The Payout comprises:*

- *if Gearing is positive a fixed percentage equal to Constant Percentage 1 or, if Gearing is negative, no fixed percentage; and*
- *indexation to the value of the Underlying Reference(s) below the Strike Percentage up to a maximum level. The maximum level is equal to the Cap Percentage.*

(v) **Vanilla Digital Securities**

If the Securities are specified in the applicable Final Terms as being Vanilla Digital Securities:

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

Constant Percentage 1 + Bonus Coupon; or

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

Constant Percentage 2.

**Description of the Payout**

*The Payout comprises:*

- *a fixed percentage; and*
- *if a Knock-in Event has occurred, the Bonus Coupon.*

(vi) **Knock-in Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Knock-in Vanilla Call Securities:

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

Constant Percentage 1 + Gearing \* Max (Final Redemption Value - Strike Percentage, Floor Percentage); OR

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

Constant Percentage 2.

**Description of the Payout**

*The Payout comprises:*

- a fixed percentage; and
- if a Knock-in Event has occurred, indexation to the value of the Underlying Reference(s) above the Strike Percentage.

(vii) **Knock-out Vanilla Call Securities**

If the Securities are specified in the applicable Final Terms as being Knock-out Vanilla Call Securities:

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

Constant Percentage 1 + Gearing \* Max (Final Redemption Value - Strike Percentage, Floor Percentage); or

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

Constant Percentage 2.

**Description of the Payout**

The Payout comprises:

- a fixed percentage; and
- if no Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) above the Strike Percentage.

(d) **Asian Products**

(i) **Asian Securities**

If the Securities are specified in the applicable Final Terms as being Asian Securities:

If Asian Local Cap is specified as applicable then:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \frac{1}{\text{Total M}} \times \sum_{(i)}^{\text{M}} (\text{Min}(\text{Max}(\text{Final Redemption Value}(i) - \text{Strike Percentage}(i)), \text{Local Floor Percentage}(i)), \text{Local Cap Percentage}(i)), \text{Floor Percentage} \right)$$

If Asian Local Cap is specified as not applicable:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \frac{1}{\text{Total M}} \times \sum_{(i)}^{\text{M}} (\text{Max}(\text{Final Redemption Value}(i) - \text{Strike Percentage}(i), \text{Local Floor Percentage}(i))), \text{Floor Percentage} \right)$$

**Description of the Payout**

The Payout comprises:

- a fixed percentage equal to Constant Percentage 1; and
- indexation to the average value of the Underlying Reference(s) when the average value is above the Strike Percentage.

(ii) **Asian Spread Securities**

If the Securities are specified in the applicable Final Terms as being Asian Spread Securities:

If the Securities are specified in the applicable Final Terms as being Asian Spread Securities:

If Asian Local Cap is specified as applicable then:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Min}(\text{Max}(\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Min}(\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)}), \text{Local Cap Percentage}_{(i)}), \text{Floor Percentage})); \text{Cap Percentage})$$

If Asian Local Cap is specified as not applicable:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Min}(\text{Max}(\frac{1}{\text{Total M}} \times \sum_{(i)}^M (\text{Max}(\text{Final Redemption Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)})), \text{Floor Percentage}); \text{Cap Percentage})$$

**Description of the Payout**

The Payout comprises:

- a fixed percentage equal to Constant Percentage 1; and
- indexation to the average value of the Underlying Reference(s) up to a maximum level if the average value is above the Strike Percentage. The maximum level is equal to the Cap Percentage.

(iii) **Himalaya Securities**

If the Securities are specified in the applicable Final Terms as being Himalaya Securities:

$$\text{Constant Percentage 1} + \text{Gearing} * \text{Max}(\frac{1}{\text{Total M}} \times \sum_{(i)}^M \text{max}(\text{Best Lock Value}_{(i)} - \text{Strike Percentage}_{(i)}, \text{Local Floor Percentage}_{(i)}), 0)$$

Where:

"**BestLockValue<sub>(i)</sub>**" means the highest Underlying Reference Value on SPS Valuation Date<sub>(i)</sub> of the Underlying Reference(s) in Relevant Basket<sub>(i)</sub>; and

"**Relevant Basket<sub>(i)</sub>**" means, in respect of SPS Valuation Date<sub>(i)</sub>, a Basket comprising each Underlying Reference in Relevant Basket<sub>(i-1)</sub> but excluding the Underlying Reference in relation to BestLockValue<sub>(i-1)</sub>.

Relevant Basket<sub>(i=1)</sub> will be set out in the applicable Final Terms.

**Description of the Payout**

The Payout comprises:

- a fixed percentage equal to Constant Percentage 1;
- average indexation to the Underlying References above the Strike Percentage in accordance with the selection criteria on each Valuation Date where the Value of the best performing Underlying Reference in the Basket is calculated and then removed from the Basket for the following Valuation Dates, the Payout providing indexation to the average of those calculated Values (the BestLockValues) above the Strike Percentage.

(e) **Auto-Callable Products**

(i) **Autocall Securities**

If the Securities are specified in the applicable Final Terms as being Autocall Securities:

(A) if the Final Redemption Condition is satisfied:

Constant Percentage 1 + FR Exit Rate; or

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

Constant Percentage 2 + Coupon Airbag Percentage; or

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

Max (Constant Percentage 3 + Gearing  $\times$  Option; 0%)

where:

**"Option"** means Put, Put Spread, EDS or Forward as specified in the applicable Final Terms;

**"EDS"** means Max (Floor Percentage, Min (Constant Percentage 4 – nEDS  $\times$  Loss Percentage, 0%));

**"Forward"** means Final Redemption Value – Strike Percentage;

**"nEDS"** means the number of underlying Reference(s) in the Basket in respect of which the relevant Final Redemption Value is (i) less than or equal to or (ii) less than, as specified in the applicable Final Terms, the EDS Barrier Percentage;

**"Put"** means Max(Strike Percentage – Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Strike Percentage – Final Redemption Value; 0); Cap Percentage),

Provided That (aa) if the provisions of sub-paragraph (A) of this Payout Condition 2.2(e)(i) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (B) of this Payout Condition 2.2(e)(i) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms or (cc) if the provisions of sub-paragraph (C) of this Payout Condition 2.2(e)(i) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms, no Redemption Amount, as applicable, will be payable and Physical Delivery will apply.

#### ***Description of the Payout***

*The Payout comprises:*

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*
- *if the Final Redemption Condition is not satisfied and no Knock-In Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Redemption Condition is not satisfied, a Knock-In Event has occurred and Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or*

- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s); or*
- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage.*
- *Physical Delivery may also apply.*

(ii) **Autocall One Touch Securities**

If the Securities are specified in the applicable Final Terms as being Autocall One Touch Securities:

- (A) if the Final Redemption Condition is satisfied:

Constant Percentage 1 + FR Exit Rate;

- (B) if the Final Redemption Condition is not satisfied and a Knock-out Event has occurred:

Constant Percentage 2 + Coupon Airbag Percentage 1; or

- (C) if the Final Redemption Condition is not satisfied, no Knock-out Event has occurred and no Knock-in Event has occurred:

Constant Percentage 3 + Coupon Airbag Percentage 2; or

- (D) if the Final Redemption Condition is not satisfied and if no Knock-out Event has occurred but a Knock-in Event has occurred:

Max (Constant Percentage 4 + Gearing × Option; 0%)

where:

**"Option"** means Put, Put Spread or Forward as specified in the applicable Final Terms;

**"Forward"** means Final Redemption Value – Strike Percentage;

**"Put"** means Max (Strike Percentage – Final Redemption Value; 0); and

**"Put Spread"** means Min (Max (Strike Percentage – Final Redemption Value; 0); Cap Percentage).

***Description of the Payout***

*The Payout comprises:*

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*

- *if the Final Redemption Condition is not satisfied and a Knock-Out Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Redemption Condition is not satisfied and no Knock-Out Event and no Knock-In Event has occurred, a fixed percentage (that may differ from the above fixed percentages); or*
- *if the Final Redemption Condition is not satisfied and no Knock-Out Event has occurred but a Knock-In Event has occurred, if Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or if Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s).*

(iii) **Autocall Standard Securities**

If the Securities are specified in the applicable Final Terms as Autocall Standard Securities:

- (A) If FR Barrier Value is greater than or equal to the Final Redemption Condition Level:

100% + FR Exit Rate; or

- (B) If FR Barrier Value is less than the Final Redemption Condition Level and no Knock-in Event has occurred:

100% + Coupon Airbag Percentage; or

- (C) If FR Barrier Value is less than the Final Redemption Condition Level and a Knock-in Event has occurred:

Min (100%,Final Redemption Value)

***Description of the Payout***

*The Payout comprises:*

- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is equal to or greater than the Final Condition Level, 100 per cent. plus a final exit rate (equal to the FR Exit Rate);*
- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is less than the Final Redemption Condition Level and no Knock-in Event has occurred, 100 per cent. plus a fixed percentage; or*
- *if the FR Barrier Value on the SPS FR Barrier Valuation Date is less than the Final Redemption Condition Level and a Knock-in Event has occurred, the minimum of 100 per cent. and indexation to the value of the Underlying Reference(s).*

(f) **Indexation Products**

(i) **Certi plus: Booster Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Booster Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

Constant Percentage 1 + [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage, 0)]

(B) if Cap is specified as applicable in the applicable Final Terms:

Constant Percentage 1 + Min [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage, 0), Cap Percentage]

***Description of the Payout***

*If Cap is specified as not applicable the Payout comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

*If Cap is specified as applicable the Payout provides a limited maximum upside and comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *additional indexation to the value of the Underlying Reference(s) above the Strike Percentage;*
- *subject to a cap of the Cap Percentage.*

(ii) **Certi plus: Bonus Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Bonus Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1 + (Down Final Redemption Value); or

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

Constant Percentage 1 + [Max (Bonus Percentage, Up Final Redemption Value)]

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1 + [Down Final Redemption Value - Max (Down Final Redemption Value - Cap Percentage, 0)]; or

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

Constant Percentage 1 + [Max (Bonus Percentage, Up Final Redemption Value) - Max (Up Final Redemption Value - Cap Percentage, 0)].

***Description of the Payout***

*If Cap is specified as not applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value).*

*If Cap is specified as applicable the Payout provides limited maximum upside and comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and indexation to the value of the Underlying Reference(s) above the Bonus Percentage up to a maximum level. The maximum level is equal to the Cap Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) (this value may differ from the above value) up to a maximum level equal to the Cap Percentage.*

(iii) **Certi plus: Leveraged Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Leveraged Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1 + [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage,0)];  
or

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

Constant Percentage 1 + (Max(100%,100% + (1 + Additional Gearing) × (Final Redemption Value - Strike Percentage)))

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1 + Min [Cap Percentage, [Final Redemption Value + Additional Gearing × Max (Final Redemption Value - Strike Percentage,0)]]; or

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

Constant Percentage 1 + Min [Cap Percentage, [Max(100%,100% + (1 + Additional Gearing) × (Final Redemption Value - Strike Percentage))]]

***Description of the Payout***

*If Cap is specified as not applicable the Payout comprises:*

- *if no Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) above the Strike Percentage; or*
- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) plus additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

If Cap is specified as applicable the Payout provides limited maximum upside and comprises:

- if no Knock-out Event has occurred, a minimum percentage and leveraged indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level equal to the Cap Percentage; or
- if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) plus additional indexation to the value of the Underlying Reference(s) above the Strike Percentage. The aggregate indexation is limited to a maximum level equal to the Cap Percentage.

(iv) **Certi plus: Twin Win Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Twin Win Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1 + Max [0, Gear Down\*Final Redemption Value]; or

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

Constant Percentage 2 + Max [Max (Gear up 1\*(Strike Percentage - Final Redemption Value), Gear up 2 \*(Final Redemption Value - Strike Percentage)), Floor Percentage]

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1 +[Min (Cap Percentage,Gear Down\*Final Redemption Value)];  
or

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

Constant Percentage 2 + Max [Max (Gear up 1\*(Strike Percentage- Final Redemption Value), Min (Cap Percentage- Strike Percentage,Gear up 2\*(Final Redemption Value- Strike Percentage))), Floor Percentage].

**Description of the Payout**

If Cap is specified as not applicable the Payout comprises:

- if no Knock-out Event has occurred, a minimum percentage, indexation to the value of the Underlying Reference(s) above the Strike Percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms;  
or
- if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s).

If Cap is specified as applicable the Payout comprises:

- if no Knock-out Event has occurred, a minimum percentage, indexation to the value of the Underlying Reference(s) above the Strike Percentage and up to a maximum

*level equal to the Cap Percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage in absolute terms; or*

- *if a Knock-out Event has occurred, indexation to the value of the Underlying Reference(s) up to a maximum level equal to the Cap Percentage.*

(v) **Certi plus: Super Sprinter Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Super Sprinter Securities:

(A) if Cap is specified as not applicable in the applicable Final Terms:

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

Constant Percentage 1+Final Redemption Value+Additional Gearing ×Max(Final Redemption Value-Strike Percentage, 0); OR

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

Constant Percentage 1+Final Redemption Value.

(B) if Cap is specified as applicable in the applicable Final Terms:

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

Constant Percentage 1+ [Min (Cap Percentage, Final Redemption Value +Additional Gearing ×Max (Final Redemption Value -Strike Percentage, 0))]

; OR

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

Constant Percentage 1 +[Min (Cap Percentage,Final Redemption Value)].

***Description of the Payout***

*If Cap is specified as not applicable the Payout comprises:*

- *indexation to the value of the Underlying Reference(s); and*
- *if a Knock-in Event occurs, additional indexation to the value of the Underlying Reference(s) above the Strike Percentage.*

*If Cap is specified as applicable the Payout provides a limited maximum upside and comprises:*

- *indexation to the value of the Underlying Reference(s) up to a maximum level;*
- *if a Knock-in Event has occurred, additional indexation to the value of the Underlying Reference(s) above the Strike Percentage up to a maximum level; and*
- *a maximum payout equal to Constant Percentage 1 plus the Cap Percentage.*

(vi) **Certi plus: Generic Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Securities:

Constant Percentage  $1 + \text{Gearing Up} \times \text{Option Up} + \text{Gearing Down} \times \text{Option Down}$

where:

**"Down Call"** means  $\text{Max} (\text{Down Final Redemption Value} - \text{Down Strike Percentage}; \text{Down Floor Percentage})$ ;

**"Down Call Spread"** means  $\text{Min} (\text{Max} (\text{Down Final Redemption Value} - \text{Down Strike Percentage}; \text{Down Floor Percentage}); \text{Down Cap Percentage})$ ;

**"Down Forward"** means  $\text{Down Final Redemption Value} - \text{Down Strike Percentage}$ ;

**"Down Put"** means  $\text{Max} (\text{Down Strike Percentage} - \text{Down Final Redemption Value}; \text{Down Floor Percentage})$ ;

**"Down Put Spread"** means  $\text{Min} (\text{Max} (\text{Down Strike Percentage} - \text{Down Final Redemption Value}; \text{Down Floor Percentage}); \text{Down Cap Percentage})$ ;

**"Option Down"** means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

**"Option Up"** means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

**"Up Call"** means  $\text{Max} (\text{Up Final Redemption Value} - \text{Up Strike Percentage}; \text{Up Floor Percentage})$ ;

**"Up Call Spread"** means  $\text{Min} (\text{Max} (\text{Up Final Redemption Value} - \text{Up Strike Percentage}; \text{Up Floor Percentage}); \text{Up Cap Percentage})$ ;

**"Up Forward"** means  $\text{Up Final Redemption Value} - \text{Up Strike Percentage}$ ;

**"Up Put"** means  $\text{Max} (\text{Up Strike Percentage} - \text{Up Final Redemption Value}; \text{Up Floor Percentage})$ ; and

**"Up Put Spread"** means  $\text{Min} (\text{Max} (\text{Up Strike Percentage} - \text{Up Final Redemption Value}; \text{Up Floor Percentage}); \text{Up Cap Percentage})$ .

***Description of the Payout***

*The Payout provides no guarantee of a fixed percentage and comprises:*

- *indexation to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level; and*
- *indexation to the value (this value may differ from the value above) of the Underlying Reference(s) through the Option Down which may be subject to a maximum level (which may differ from the maximum level above).*

(vii) **Certi plus: Generic Knock-in Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Knock-in Securities:

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

Constant Percentage 1 + Gearing Up × Option Up; or

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

Constant Percentage 2 + Gearing Down × Option Down,

where:

**"Down Call"** means Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage);

**"Down Call Spread"** means Min (Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

**"Down Forward"** means Down Final Redemption Value – Down Strike Percentage;

**"Down Put"** means Max (Down Strike Percentage – Down Final Redemption Value; Down Floor Percentage);

**"Down Put Spread"** means Min (Max (Down Strike Percentage – Down Final Redemption Value; Down Floor Percentage); Down Cap Percentage);

**"Option Down"** means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

**"Option Up"** means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

**"Up Call"** means Max (Up Final Redemption Value – Up Strike Percentage; Up Floor Percentage);

**"Up Call Spread"** means Min (Max (Up Final Redemption Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

**"Up Forward"** means Up Final Redemption Value – Up Strike Percentage;

**"Up Put"** means Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); and

**"Up Put Spread"** means Min (Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); Up Cap Percentage).

#### ***Description of the Payout***

*The Payout comprises:*

- *if no Knock-in Event occurs, a fixed percentage and indexation to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level; or*
- *if a Knock-in Event occurs, a fixed percentage and indexation to the value of the Underlying Reference(s) (this value may differ from the value above) through the Option Down which may be subject to a maximum level (which may differ from the maximum level above).*

(viii) **Certi plus: Generic Knock-out Securities**

If the Securities are specified in the applicable Final Terms as being Certi plus: Generic Knock-out Securities:

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

Constant Percentage 1 + Gearing Up x Option Up; or

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

Constant Percentage 2 + Gearing Down x Option Down,

where:

**"Down Call"** means Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage);

**"Down Call Spread"** means Min (Max (Down Final Redemption Value – Down Strike Percentage; Down Floor Percentage); Down Cap Percentage);

**"Down Forward"** means Down Final Redemption Value – Down Strike Percentage;

**"Down Put"** means Max (Down Strike Percentage – Down Final Redemption Value; Down Floor Percentage);

**"Down Put Spread"** means Min (Max (Down Strike Percentage – Down Final Redemption Value; Down Floor Percentage); Down Cap Percentage);

**"Option Down"** means Down Put, Down Put Spread, Down Forward, Down Call or Down Call Spread as specified in the applicable Final Terms;

**"Option Up"** means Up Call, Up Call Spread, Up Forward, Up Put or Up Put Spread as specified in the applicable Final Terms;

**"Up Call"** means Max (Up Final Redemption Value – Up Strike Percentage; Up Floor Percentage);

**"Up Call Spread"** means Min (Max (Up Final Redemption Value – Up Strike Percentage; Up Floor Percentage); Up Cap Percentage);

**"Up Forward"** means Up Final Redemption Value – Up Strike Percentage;

**"Up Put"** means Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); and

**"Up Put Spread"** means Min (Max (Up Strike Percentage – Up Final Redemption Value; Up Floor Percentage); Up Cap Percentage).

***Description of the Payout***

*The Payout comprises:*

- *if no Knock-out Event occurs, a fixed percentage and indexation to the value of the Underlying Reference(s) through the Option Up which may be subject to a maximum level; or*

- if a Knock-out Event occurs, a fixed percentage and indexation to the value of the Underlying Reference(s) (this value may differ from the value above) through the Option Down which may be subject to a maximum level (which may differ from the maximum level above).

(g) **Ratchet Securities**

If the Securities are specified in the applicable Final Terms as being Ratchet Securities:

- (i) if Local Cap is specified as not applicable in the applicable Final Terms:

$$\text{Constant Percentage } 1 + \text{Max} \left( \sum_{q \text{ in } Q(i)} \text{Max}(\text{Final Redemption Value}(q) - \text{Strike Percentage}, \text{Local Floor Percentage}), \text{Global Floor Percentage} \right)$$

- (ii) if Local Cap is specified as applicable in the applicable Final Terms:

$$\text{Constant Percentage } 1 + \text{Max} \left( \sum_{q \text{ in } Q(i)} \text{Max}(\text{Min}(\text{Final Redemption Value}(q) - \text{Strike Percentage}, \text{Local Cap Percentage}), \text{Local Floor Percentage}), \text{Global Floor Percentage} \right)$$

**Description of the Payout**

The Payout provides an amount equal to the sum of the Final Redemption Values above the Strike Percentage subject to a floor of the Global Floor Percentage. The Final Redemption Values are calculated on each SPS Valuation Date during the SPS Valuation Period and each may be subject to a Cap and/or a floor.

(h) **Sum Securities**

If the Securities are specified in the applicable Final Terms as being Sum Securities:

$$\text{Constant Percentage } 1 + \sum_{a=1}^A \text{PW}_a \prod_{b=1}^B ([\text{Additional Final Payout}]_{a,b}).$$

Where:

"PW" is the relevant Additional Final Payout Weighting;

"A" is the number specified as such in the applicable Final Terms; and

"B" is the number specified as such in the applicable Final Terms.

**Description of the Payout**

The Payout comprises a weighted sum of two or more Payouts provided in the Conditions and specified in the applicable Final Terms.

(i) **Option Max Securities**

If the Securities are specified in the applicable Final Terms as being Option Max Securities:

$$\text{Constant Percentage } 1 + \text{Max}_{a=1}^A ([\text{Additional Final Payout}]_a)$$

where "A" is the number specified as such in the applicable Final Terms.

***Description of the Payout***

*The Payouts comprises a maximum of two or more Payouts provided in the Conditions and specified in the applicable Final Terms.*

(j) **Stellar Securities**

If the Securities are specified in the applicable Final Terms as being Stellar Securities:

$$\text{Max} \left( \text{Global Floor Percentage}, \frac{1}{K} \sum_{k=1}^K \text{Max}[\text{Local Floor Percentage}, \text{Min}(\text{Cap Percentage}, \text{Final Redemption Value}(k)) - \text{Strike Percentage}] \right)$$

***Description of the Payout***

*The Payout comprises an amount equal to the sum of the Final Redemption Values above the Strike Percentage for each Underlying Reference in the basket (each such Final Redemption Value being subject to a minimum and a maximum level) subject to a minimum level of the Global Floor Percentage.*

(k) **Driver Securities**

If the Securities are specified in the applicable Final Terms as being Driver Securities:

$$\text{Max} \left( \text{Global Floor Percentage}, \frac{1}{K} \sum_{k=1}^K \text{Max} (\text{Floor Percentage}, \text{Modified Value} (k)) - \text{Strike Percentage} \right)$$

Where:

"**Modified Value<sub>(k)</sub>**" is:

(i) if the Final Redemption Value<sub>(k)</sub> is one of the nfixed greatest values in the basket of Underlying References:

Driver Percentage; or

(ii) otherwise:

Final Redemption Value<sub>(k)</sub>.

***Description of the Payout***

*The Payout comprises an amount calculated by reference to the average performance of a basket of Underlying References above the Strike Percentage with the Underlying Reference with the "nfixed" highest value being replaced by a fixed percentage (the Driver Percentage), subject to a minimum level of the Global Floor Percentage.*

(l) If specified in the applicable Final Terms any Final Payout will be subject to a cap of the Maximum Final Payout and/or a floor of the Minimum Final Payout, in each case as specified in the applicable Final Terms.

### 2.3 Automatic Early Redemption Payouts, Call Payouts and Put Payouts

- (a) If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, if SPS Automatic Early Redemption Payout is specified in the applicable Final Terms, the Automatic Early Redemption Payout shall be:

$NA \times (\text{AER Redemption Percentage} + \text{AER Exit Rate}),$

Provided That if specified in the applicable Final Terms the SPS Automatic Early Redemption Payout will be subject to a cap of the Maximum SPS Automatic Early Redemption Payout and/or a floor of the Minimum SPS Automatic Early Redemption Payout, in each case specified in the applicable Final Terms.

- (b) **Definitions for SPS Automatic Early Redemption Payouts**

"**AER Athena up Rate**" means:

- (a) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{ER Floor Percentage}_{(i)}, \text{ER Gearing}_{(i)} \times (\text{ER Value}_{(i)} - \text{ER Strike Percentage}_{(i)}) + \text{ER Spread}_{(i)}), \text{ER Cap Percentage}_{(i)}) + \text{ER Constant Percentage}_{(i)}$

- (b) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{ER Floor Percentage}_{(i)}, \text{ER Gearing}_{(i)} \times (\text{ER Value}_{(i)} - \text{ER Strike Percentage}_{(i)}) + \text{ER Spread}_{(i)}) + \text{ER Constant Percentage}_{(i)}$

"**AER Calculation Period**" means the period from (and including) the Interest Payment Date immediately preceding the Automatic Early Redemption Date (or if none the Issue Date) to (but excluding) the Automatic Early Redemption Date;

"**AER CSN Rate**" means a percentage calculated as the product of the AER Rate and the applicable AER Day Count Fraction;

"**AER Day Count Fraction**" means the Day Count Fraction specified as such in the applicable Final Terms;

"**AER Exit Rate**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, any of AER Rate, AER Athena up Rate or AER CSN Rate as specified in the applicable Final Terms;

"**AER Rate**" is as defined in Condition 12.2;

"**AER Redemption Percentage**" means the percentage specified as such in the applicable Final Terms;

"**AER Reference Rate**" means the floating rate specified as such in the applicable Final Terms;

"**ER Cap Percentage**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ER Constant Percentage**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ER Floor Percentage**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

"**ER Gearing**" means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Spread"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Strike Percentage"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the percentage specified as such in the applicable Final Terms;

**"ER Value"** means, in respect of a SPS ER Valuation Date or SPS ER Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS ER Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS ER Valuation Period"** means each period specified as such in the applicable Final Terms.

(c) **Call Payouts**

If SPS Call Payout is specified in the applicable Final Terms, the Call Payout will be:

$NA \times (\text{Call Redemption Percentage} + \text{Call Exit Rate}),$

Provided That if specified in the applicable Final Terms the SPS Call Payout will be subject to a cap of the Maximum SPS Call Payout and/or a floor of the Minimum SPS Call Payout, in each case specified in the applicable Final Terms.

(d) **Definitions for SPS Call Payouts**

**"Call Athena up Rate"** means:

(i) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min} (\text{Max} (\text{Call Floor Percentage}, \text{Call Gearing} \times (\text{Call Value} - \text{Call Strike Percentage}) + \text{Call Spread Percentage}), \text{Call Cap Percentage}) + \text{Call Constant Percentage}$

(ii) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max} (\text{Call Floor Percentage}, \text{Call Gearing} \times (\text{Call Value} - \text{Call Strike Percentage}) + \text{Call Spread Percentage}) + \text{Call Constant Percentage}$

**"Call Calculation Period"** means the period from (and including) the Interest Payment Date immediately preceding the Optional Redemption Date (or if none the Issue Date) to (but excluding) the Optional Redemption Date;

**"Call CSN Rate"** means a percentage calculated as the product of the Call Rate and the applicable Day Count Fraction;

**"Call Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

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

**"Call Exit Rate"** means any of Call Rate, Call Athena up Rate or Call CSN Rate as specified in the applicable Final Terms;

**"Call Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Call Rate"** means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the Call Rate is to be determined by reference to a Screen

Rate, the Call Rate shall be calculated pursuant to Condition 12.4 save that references therein to "AER" shall be deemed to be references to "Call";

**"Call Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"Call Spread Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Call Value"** means, in respect of an SPS Call Valuation Date or SPS Call Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS Call Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS Call Valuation Period"** means each period specified as such in the applicable Final Terms.

(e) **Put Payouts**

If SPS Put Payout is specified in the applicable Final Terms, the Put Payout will be:

$NA \times (\text{Put Redemption Percentage} + \text{Put Exit Rate})$

Provided That if specified in the applicable Final Terms the SPS Put Payout will be subject to a cap of the Maximum SPS Put Payout and/or a floor of the Minimum SPS Put Payout, in each case specified in the applicable Final Terms.

(f) **Definitions for SPS Put Payouts**

**"Put Athena up Rate"** means:

(i) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{Put Floor Percentage}, \text{Put Gearing} \times (\text{Put Value} - \text{Put Strike Percentage}) + \text{Put Spread Percentage}), \text{Put Cap Percentage}) + \text{Put Constant Percentage}$

(ii) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{Put Floor Percentage}, \text{Put Gearing} \times (\text{Put Value} - \text{Put Strike Percentage}) + \text{Put Spread Percentage}) + \text{Put Constant Percentage}$

**"Put Calculation Period"** means the period from (and including) the Interest Payment Date immediately preceding the relevant Optional Redemption Date (or if none the Issue Date) to (but excluding) the relevant Optional Redemption Date;

**"Put Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

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

**"Put CSN Rate"** means a percentage calculated as the product of the Put Rate and the applicable Day Count Fraction;

**"Put Exit Rate"** means any of Put Rate, Put Athena up Rate or Put CSN Rate as specified in the applicable Final Terms;

**"Put Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Put Rate"** means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the Put Rate is to be determined by reference to a Screen Rate, the Put Rate shall be calculated pursuant to Condition 12.4 save that references therein to "AER" shall be deemed to be references to "Put";

**"Put Redemption Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Reference Rate"** means the floating rate specified as such in the applicable Final Terms;

**"Put Spread Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Put Value"** means, in respect of an SPS Put Valuation Date or SPS Put Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS Put Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS Put Valuation Period"** means each period specified as such in the applicable Final Terms.

## 2.4 SPS Entitlement Amounts

The following Entitlement Amounts (each an **"Entitlement Amount"**) will apply to the Securities if specified in the applicable Final Terms, subject as provided in Payout Condition 2.4(d) below:

### (a) Delivery of Worst-Performing Underlying

If Delivery of Worst-Performing Underlying is specified as applicable in the applicable Final Terms:

$$\text{NA} \times \text{Redemption Payout} / (\text{Worst Performing Underlying Reference Closing Price Value}_{(i)} \times \text{FX}_{(i)})$$

Where:

**"Worst Performing Underlying Reference Closing Price Value<sub>(i)</sub>"** is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the Underlying Reference with the Worst Value on such date; and

**"FX<sub>(i)</sub>"** is the relevant Underlying Reference FX Level<sub>(i)</sub> on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

### (b) Delivery of Best-Performing Underlying

If Delivery of Best-Performing Underlying is specified as applicable in the applicable Final Terms:

$$\text{NA} \times \text{Redemption Payout} / (\text{Best Performing Underlying Reference Closing Price Value}_{(i)} \times \text{FX}_{(i)})$$

Where:

**"Best-Performing Underlying Reference Closing Price Value<sub>(i)</sub>"** is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the Underlying Reference with the Best Value on such date; and

"FX<sub>(i)</sub>" is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(c) **Delivery of the Underlying**

If Delivery of the Underlying is specified as applicable in the applicable Final Terms:

NA × Redemption Payout / (Underlying Reference Closing Price Value × FX<sub>(i)</sub>)

Where:

"**Underlying Reference Closing Price Value**" is the Underlying Reference Closing Price Value on the relevant SPS Valuation Date; and

"FX<sub>(i)</sub>" is the Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(d) **Rounding and Residual Amount**

The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to:

$$\text{NA} \times \text{Redemption Payment} - \sum_{k=1}^K \text{Number}_{(k,i)} * \text{FX}_{(k,i)} * \text{Underlying Reference Closing Price Value}_{(k,i)}$$

"**Number<sub>(k,i)</sub>**" is equal to the Entitlement Amount for the relevant Underlying Reference<sub>(k)</sub> and SPS Valuation Date<sub>(i)</sub>;

"**Underlying Reference Closing Price Value<sub>(k,i)</sub>**" is the Underlying Reference Closing Price Value<sub>(i)</sub> on the relevant SPS Valuation Date in respect of the relevant Underlying Reference<sub>(k)</sub>; and

"FX<sub>(k,i)</sub>" is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

2.5 **Definitions for SPS Coupon Rates and FR Exit Rate**

(a) Definitions for SPS Coupon Rates

"**AC Digital Coupon Barrier Level Down**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**AC Digital Coupon Barrier Level Up**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**AC Digital Coupon Condition**" means:

- (a) if Barrier Up is specified as applicable in the applicable Final Terms, that the DC Barrier Value for the relevant SPS Coupon Valuation Date is (i) equal to or greater than the relevant AC Digital Coupon Barrier Level Down and (ii) less than or equal to the relevant AC Digital Coupon Barrier Level Up; or
- (b) if Barrier Up is specified as not applicable in the applicable Final Terms, that the DC Barrier Value for the relevant SPS Coupon Valuation Date is equal to or greater than AC Digital Coupon Barrier Level Down;

"**AC Digital Day**" means a calendar day, Business Day, Exchange Business Day, Hybrid Business Day, Scheduled Trading Day, SPS Coupon Valuation Date or other day specified as such in the applicable Final Terms;

"**Additional Coupon**" means each Coupon Rate specified as such in the applicable Final Terms;

"**Barrier Condition**" means that Coupon Value for the relevant Underlying Reference for the relevant SPS Valuation Date is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level;

"**Barrier Level**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**Constant Percentage**" means the percentage specified as such in the applicable Final Terms.

"**Coupon Value**" means, in respect of an SPS Coupon Valuation Date or SPS Coupon Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Coupon Weighting**" means the number, amount or percentage specified as such in the applicable Final Terms;

"**DC Barrier Value**" means, in respect of a SPS Coupon Valuation Date or SPS Coupon Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Digital Coupon Condition**" means that the DC Barrier Value for the relevant SPS Coupon Valuation Date or SPS Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level;

"**Driver Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Final Redemption Condition Level**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**Final Redemption Condition Level 2**" means the percentage, amount or number specified as such in the applicable Final Terms;

"**nfixed**" means the number specified as such in the applicable Final Terms;

"**Rate**" means, in respect of a SPS Coupon Valuation Date or SPS Coupon Valuation Period:

- (i) the fixed rate specified in or the floating rate calculated as provided in the applicable Final Terms; or
- (ii) the Vanilla Call Rate or Vanilla Call Spread Rate specified in the applicable Final Terms.

"**Snowball Barrier Value**" means, in respect of a SPS Coupon Valuation Date or SPS Coupon Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Snowball Date**" means each date on which the relevant Snowball Digital Coupon Condition is satisfied or the last day of any SPS Coupon Valuation Period in which the Snowball Digital Coupon Condition is satisfied;

"**Snowball Digital Coupon Condition**" means that the Snowball Barrier Value for the relevant SPS Coupon Valuation Date or SPS Coupon Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Snowball Level;

"**Snowball Level**" means the number, amount or percentage specified as such in the applicable Final Terms;

"**Spread**" means the percentage specified as such in the applicable Final Terms;

"**SPS Coupon Valuation Date**" means each AC Digital Day, Averaging Date, Pricing Date, Settlement Price Date and/or Underlying Interest Determination Date specified as such in the applicable Final Terms;

"**SPS Coupon Valuation Period**" means the period specified as such in the applicable Final Terms;

"**Vanilla Call Rate**" means:

$\text{Constant Percentage}_{(i)} + \text{Gearing}_{(i)} * \text{Max}(\text{Coupon Value}_{(i)} - \text{Strike Percentage}_{(i)} + \text{Spread}_{(i)}, \text{Floor Percentage}_{(i)})$ ; and

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

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

(b) **Definitions for FR Exit Rate**

"**FR Athena up Rate**" means:

(a) if Cap is specified as applicable in the applicable Final Terms:

$\text{Min}(\text{Max}(\text{FR Floor Percentage}, \text{FR Gearing} \times (\text{FR Value} - \text{FR Strike Percentage}) + \text{FR Spread}), \text{FR Cap Percentage}) + \text{FR Constant Percentage}$

(b) if Cap is specified as not applicable in the applicable Final Terms:

$\text{Max}(\text{FR Floor Percentage}, \text{FR Gearing} \times (\text{FR Value} - \text{FR Strike Percentage}) + \text{FR Spread}) + \text{FR Constant Percentage}$

"**FR Calculation Period**" means the period from (and including) the Interest Payment Date immediately preceding the Final Valuation Date (or if none the Issue Date) to (but excluding) the Final Valuation Date;

"**FR Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

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

"**FR CSN Rate**" means a percentage calculated as the product of the FR Rate and the applicable FR Day Count Fraction;

"**FR Day Count Fraction**" means the Day Count Fraction specified as such in the applicable Final Terms;

"**FR Exit Rate**" means any of FR Rate, FR Athena up Rate or FR CSN Rate as specified in the applicable Final Terms;

"**FR Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FR Gearing**" means the percentage specified as such in the applicable Final Terms;

"**FR Rate**" means the rate specified as such or determined in the manner set out in, the applicable Final Terms. If the applicable Final Terms specify that the FR Rate is to be determined by reference to a Screen Rate, the FR Rate shall be calculated pursuant to Condition 12.4, save that references therein to "AER" shall be deemed to be references to "FR";

"**FR Redemption Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FR Reference Rate**" means the floating rate specified as such in the applicable Final Terms;

"**FR Spread**" means the percentage specified as such in the applicable Final Terms;

**"FR Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"FR Value"** means, in respect of a SPS FR Valuation Date or SPS FR Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

**"SPS FR Barrier Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

**"SPS FR Barrier Valuation Period"** means each period specified as such in the applicable Final Terms;

**"SPS FR Valuation Date"** means each Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms; and

**"SPS FR Valuation Period"** means each period specified as such in the applicable Final Terms.

## 2.6 Simple Value and Performance Definitions for SPS Coupon Rates, Payouts and Entitlement Amounts

### (a) Basic Value Definitions

**"FX Value"** means, in respect of an Underlying Reference and a day:

- (a) Underlying Reference FX Level for such day divided by Underlying Reference FX Strike Level; or
- (b) if Underlying Reference FX Hedged Value is specified in the applicable Final Terms, Underlying Reference FX Hedged Value for such day divided by Underlying Reference FX Strike Level;

**"Underlying Reference Closing Price Value"** means, in respect of a SPS Valuation Date:

- (a) if the relevant Underlying Reference is an Index or Custom Index, the Closing Level;
- (b) if the relevant Underlying Reference is a Share, the Closing Price or the Italian Securities Reference Price, as specified in the applicable Final Terms;
- (c) if the relevant Underlying Reference is an ETI, the Closing Price;
- (d) if the relevant Underlying Reference is a Commodity or a Commodity Index, the Relevant Price;
- (e) if the relevant Underlying Reference is a Fund, the NAV per Fund Share;
- (f) if the relevant Underlying Reference is a Currency or Future, the Settlement Price;
- (g) if the relevant Underlying Reference is an Underlying Interest Rate, the Underlying Reference Rate;
- (h) if the relevant Underlying Reference is an Inflation Index, the Relevant Level; or
- (i) if the relevant Underlying Reference is a Debt Instrument, the Settlement Price,

in each case in respect of such day;

**"Underlying Reference FX Hedged Value"** means, in respect of an Underlying Reference and a day, the rate determined by the Calculation Agent in accordance with the following formula:

$$\text{Underlying Reference FX Hedged Value}_t = \text{Underlying Reference FX Hedged Value}_{t-1} \times \left[ \left( 1 + \frac{\text{Index}_t \times \text{FX}_t}{\text{Index}_{t-1} \times \text{FX}_{t-1}} - \frac{\text{FX}_t}{\text{FX}_{t-1}} \right) \right]$$

Provided That the Underlying Reference FX Hedged Value on the Strike Date is the rate specified in the applicable Final Terms as the Initial Underlying Reference FX Hedged Value.

Where:

"**FX<sub>t</sub>**" means, in respect of a day, the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms on such day or if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day or, if such rate of exchange is not available from such sources at such time, the rate of exchange determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, provided that FX<sub>t</sub> on the Strike Date is the rate specified in the applicable Final Terms as FX Initial.

"**FX<sub>t-1</sub>**" means, in respect of a day, FX<sub>t</sub> on the Scheduled Custom Index Business Day immediately preceding such day.

"**Index<sub>t</sub>**" means, in respect of a day, the level of the relevant Custom Index published by the Index Sponsor in respect of such day or if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day as determined by the Calculation Agent, provided that if the level of the Custom Index is not calculated and announced by the Index Sponsor on such day, the Calculation Agent shall determine the level of such Custom Index acting in good faith and in a commercially reasonable manner, provided that Index<sub>t</sub> on the Strike Date is the level specified in the applicable Final Terms as Index Initial Value.

"**Index<sub>t-1</sub>**" means, in respect of a day, Index<sub>t</sub> on the Scheduled Custom Index Business Day immediately preceding such day.

"**Underlying Reference FX Level**" means, in respect of an Underlying Reference and a day, the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Underlying Reference on such day;

"**Underlying Reference FX Strike Level**" means in respect of an Underlying Reference:

- (a) the rate specified as such in the applicable Final Terms; or
- (b) if FX Closing Level is specified as applicable in the applicable Final Terms, the Underlying Reference FX Level for such Underlying Reference on the Strike Date; or
- (c) if FX Maximum Level is specified as applicable in the applicable Final Terms, the greatest Underlying Reference FX Level for such Underlying Reference for all the Strike Days in the Strike Period; or
- (d) if FX Minimum Level is specified as applicable in the applicable Final Terms, the lowest Underlying Reference FX Level for such Underlying Reference for all the Strike Days in the Strike Period; or
- (e) if FX Average Level is specified as applicable in the applicable Final Terms, the arithmetic average of the Underlying Reference FX Levels for such Underlying Reference for all the Strike Days in the Strike Period; and

"**Underlying Reference Strike Price**" means, in respect of an Underlying Reference:

- (i) the amount specified as such in the applicable Final Terms; or

- (ii) if Strike Price Closing Value is specified as applicable in the applicable Final Terms, the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date; or
- (iii) if Strike Price Maximum Value is specified as applicable in the applicable Final Terms, the greatest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period; or
- (iv) if Strike Price Minimum Value is specified as applicable in the applicable Final Terms, the lowest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period; or
- (v) if Strike Price Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Underlying Reference Closing Price Values for such Underlying Reference for all the Strike Days in the Strike Period; or
- (vi) if Barrier Strike Price Closing Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date and (y) the Barrier Percentage Strike Price; or
- (vii) if Barrier Strike Price Maximum Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the greatest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price; or
- (viii) if Barrier Strike Price Minimum Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the lowest Underlying Reference Closing Price Value for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price; or
- (ix) if Barrier Strike Price Average Value is specified as applicable in the applicable Final Terms, an amount equal to the product of (x) the arithmetic average of the Underlying Reference Closing Price Values for such Underlying Reference for all the Strike Days in the Strike Period and (y) the Barrier Percentage Strike Price.

(b) **Mono Underlying Reference Value Definitions**

**"Performance"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) the Underlying Reference Value for such Underlying Reference in respect of such day minus (b) 100 per cent.;

**"Restrike Performance"** means, in respect of an Underlying Reference and a SPS Valuation Date (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of the immediately preceding SPS Valuation Date (b) less 100 per cent.;

**"Underlying Reference EndDay Closing Price Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the **"SPS EndDay Valuation Date"**) falling nEnd days after such SPS Valuation Date;

**"Underlying Reference Intraday Price Value"** means:

- (a) if the relevant Underlying Reference is an Index, the Intraday Level; or
- (b) if the relevant Underlying Reference is a Share, an ETI, a Commodity or a Commodity Index, the Intraday Price;

**"Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price, and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

**"Underlying Reference Restrike Value"** means, in respect of an Underlying Reference and a SPS Valuation Date (a) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such day divided by (b) the Underlying Reference Closing Price Value for such Underlying Reference in respect of the immediately preceding SPS Valuation Date;

**"Underlying Reference StartDay Closing Price Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the Underlying Reference Closing Price Value for such Underlying Reference on the date (the **"SPS StartDay Valuation Date"**) falling nStart days prior to such SPS Valuation Date;

**"Underlying Reference TOM Restrike Value"** means, in respect of an Underlying Reference and a SPS Valuation Date (a) the Underlying Reference EndDay Closing Price Value for such Underlying Reference in respect of such day divided by (b) Underlying Reference StartDay Closing Price Value for such Underlying Reference in respect of such day;

**"Underlying Reference TOM Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, the product of all Underlying Reference TOM Restrike Values for all SPS Valuation Dates prior to and including such SPS Valuation Date in respect of an Underlying Reference; and

**"Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value or, if Underlying Reference Inverse Value is specified as applicable in the applicable Final Terms, Underlying Reference Value shall mean, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the relevant Underlying Reference Strike Price (ii) divided by the Underlying Reference Closing Price Value for such Underlying Reference in respect of such SPS Valuation Date and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value.

(c) **Multi Underlying Reference Value Definitions**

**"Basket Value"** means, in respect of a SPS Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Underlying Reference Value for such Underlying Reference in respect of such SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Best Intraday Value"** means, in respect of a SPS Valuation Date, the highest Underlying Reference Intraday Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Best Value"** means, in respect of a SPS Valuation Date, the highest Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Rainbow Value"** means, in respect of a SPS Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Ranked Value for such Underlying Reference in respect of such SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Ranked Value"** means, in respect of a SPS Valuation Date, the Underlying Reference Value in respect of the Underlying Reference with the Ranking in respect of such SPS Valuation Date set out in the applicable Final Terms;

**"Ranking"** means, in respect of an SPS Valuation Date, the ordinal positioning of each Underlying Reference by Underlying Reference Value from lowest Underlying Reference Value to greatest Underlying Reference Value in respect of such SPS Valuation Date;

**"Worst Intraday Value"** means, in respect of a SPS Valuation Date, the lowest Underlying Reference Intraday Value for any Underlying Reference in respect of such SPS Valuation Date; and

**"Worst Value"** means, in respect of a SPS Valuation Date, the lowest Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date.

## 2.7 **Greatest Period Values for SPS Coupon Rates, Payouts and Entitlement Amounts**

### (a) **Mono Underlying Reference Value Definitions**

**"Greatest Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Greatest Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

### (b) **Multi Underlying Reference Value Definitions**

**"Greatest Basket Value"** means, in respect of a SPS Valuation Period, the highest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Best Intraday Value"** means, in respect of a SPS Valuation Period, the highest Best Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Best Value"** means, in respect of a SPS Valuation Period, the highest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Rainbow Value"** means, in respect of a SPS Valuation Period, the highest for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values;

**"Greatest Underlying Reference Value (Basket)"** means, in respect of an Underlying Reference in the Basket and a SPS Valuation Period, the highest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period;

**"Greatest Worst Value"** means, in respect of a SPS Valuation Period, the highest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Worst Greatest Value"** means, in respect of a SPS Valuation Period, the lowest Greatest Underlying Reference Value (Basket) for any Underlying Reference in the Basket in respect of such SPS Valuation Period.

## 2.8 **Lowest Period Values for SPS Coupon Rates, Payouts and Entitlement Amounts**

### (a) **Mono Underlying Reference Value Definitions**

**"Lowest Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Lowest Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

(b) **Multi Underlying Reference Value Definitions**

**"Lowest Basket Value"** means, in respect of a SPS Valuation Period, the lowest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Lowest Best Value"** means, in respect of a SPS Valuation Period, the lowest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

**"Lowest Rainbow Value"** means, in respect of a SPS Valuation Period, the lowest for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values;

**"Lowest Worst Intraday Value"** means, in respect of a SPS Valuation Period, the lowest Worst Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Lowest Worst Value"** means, in respect of a SPS Valuation Period, the lowest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period.

2.9 **Average Values for SPS Coupon Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

**"Average Underlying Reference TOM Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the arithmetic average of the Underlying Reference TOM Values for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period; and

**"Average Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the arithmetic average of the Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period;

(b) **Multi Underlying Reference Value Definitions**

**"Average Basket Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Basket Values for all the SPS Valuation Dates in such SPS Valuation Period;

**"Average Best Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Best Values for all the SPS Valuation Dates in such SPS Valuation Period;

**"Average Rainbow Value"** means, in respect of a SPS Valuation Period, the arithmetic average for all SPS Valuation Dates in such SPS Valuation Period of the relevant Rainbow Values; and

**"Average Worst Value"** means, in respect of a SPS Valuation Period, the arithmetic average of the Worst Values for all the SPS Valuation Dates in such SPS Valuation Period.

2.10 **Weighted Average Values for SPS Coupon Rates, Payouts and Entitlement Amounts**

(a) **Mono Underlying Reference Value Definitions**

**"Weighted Average Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Underlying Reference Value for such Underlying Reference for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting.

(b) **Multi Underlying Reference Value Definitions**

**"Weighted Average Basket Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Basket Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting;

**"Weighted Average Best Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Best Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting;

**"Weighted Average Rainbow Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all SPS Valuation Dates in such SPS Valuation Period as (a) the relevant Rainbow Values (b) multiplied by the relevant SPS Date Weighting; and

**"Weighted Average Worst Value"** means, in respect of a SPS Valuation Period, the sum of the values calculated for all the SPS Valuation Dates in such SPS Valuation Period as (a) the Worst Value for such SPS Valuation Date (b) multiplied by the relevant SPS Date Weighting.

2.11 **Minimum/Maximum Values**

Any value specified in the applicable Final Terms and used in the calculation of any SPS Coupon Rate, Payout and/or Entitlement Amount or related provision may be subject to a cap of the Maximum Value and/or a floor of the Minimum Value, in each case specified in the applicable Final Terms.

2.12 **General Definitions for SPS Coupon Rates, Final Payouts and Entitlement Amounts**

**"Additional Final Payout"** means each Final Payout specified as such in the applicable Final Terms for the relevant Sum Securities or Option Max Securities and if Payout FX Conversion is specified as applicable in the applicable Final Terms, converted into the Payout Currency at the Payout FX Value, in each case specified in the applicable Final Terms;

**"Additional Final Payout Weighting"** is the number, amount or percentage specified as such in the applicable Final Terms;

**"Additional Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Barrier Percentage Strike Price"** means the percentage specified as such in the applicable Final Terms;

**"Bonus Coupon"** means the percentage specified as such in the applicable Final Terms;

**"Bonus Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

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

**"Constant Percentage 2"** means the percentage specified as such in the applicable Final Terms;

**"Constant Percentage 3"** means the percentage specified as such in the applicable Final Terms;

**"Constant Percentage 4"** means the percentage specified as such in the applicable Final Terms;

**"Coupon Airbag Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Coupon Airbag Percentage 1"** means the percentage specified as such in the applicable Final Terms;

"**Coupon Airbag Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Down Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Down Final Redemption Value**" means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Down Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Down Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

"**EDS Barrier Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Final Redemption Condition**" means that:

- (a) the FR Barrier Value for the relevant SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Condition Level (the "**Final Redemption Condition 1**"); and/or (as specified in the applicable Final Terms)
- (b) the FR Barrier Value 2 for the relevant SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Condition Level 2 (the "**Final Redemption Condition 2**");

"**Final Redemption Value**" means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**FR Barrier Value**" means, in respect of a SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**FR Barrier Value 2**" means, in respect of a SPS FR Barrier Valuation Date or SPS FR Barrier Valuation Period, the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms;

"**Gear Down**" means the percentage specified as such in the applicable Final Terms;

"**Gear Up 1**" means the percentage specified as such in the applicable Final Terms;

"**Gear Up 2**" means the percentage specified as such in the applicable Final Terms;

"**Gearing**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Down**" means the percentage specified as such in the applicable Final Terms;

"**Gearing Up**" means the percentage specified as such in the applicable Final Terms;

"**Global Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**i**" means the relevant SPS Valuation Date or SPS Valuation Period;

"**j**" means the relevant Strike Date;

"**k**" means the relevant Underlying Reference;

"**K**" means the total number of Underlying References in the Basket;

"**Local Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Local Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Loss Percentage**" means the percentage specified as such in the applicable Final Terms;

"**m**" means the relevant SPS Valuation Date or SPS Valuation Period;

"**M**" means a series of SPS Valuation Dates or SPS Valuation Periods;

"**Min Coupon**" means the percentage specified as such in the applicable Final Terms;

"**NA**" means the Calculation Amount;

"**nEnd days**" has the meaning given it in the applicable Final Terms;

"**nStart days**" has the meaning given it in the applicable Final Terms;

"**Payout Currency**" means the currency specified as such in the applicable Final Terms;

"**Payout FX Closing Price Value**" means the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Payout Currency on the Payout FX Rate Date

"**Payout FX Rate Date**" means the date specified as such in the applicable Final Terms;

"**Payout FX Rate Strike Date**" means the date specified as such in the applicable Final Terms;

"**Payout FX Strike Closing Price Value**" means (i) the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms on the Payout FX Rate Strike Date or (ii) the rate of exchange specified in the applicable Final Terms, as specified in the applicable Final Terms.

"**Payout FX Value**" means, in respect of a Payout Currency (a) the Payout FX Closing Price Value divided by (b) the Payout FX Strike Closing Price Value;

"**q**" means the relevant Observation Date or SPS Valuation Date;

"**Q**" is a series of SPS Valuation Dates in SPS Valuation Period<sub>(i)</sub> or Calculation Period<sub>(i)</sub>;

"**Redemption Payout**" means the Final Payout in specified in the applicable Final Terms;

"**SPS Date Weighting**" means, in respect of an SPS Valuation Date, the number, amount or percentage specified as such for such date in the applicable Final Terms;

"**SPS Redemption Valuation Date**" means each Underlying Interest Determination Date, Averaging Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"**SPS Redemption Valuation Period**" means each period specified as such in the applicable Final Terms;

**"SPS Valuation Date"** means each SPS 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 Redemption Valuation Date, Strike Day or Strike Date specified as such in the applicable Final Terms;

**"SPS Valuation Period"** means each SPS ER Valuation Period, SPS Coupon Valuation Period, SPS FR Barrier Valuation Period, SPS Call Valuation Period, SPS Put Valuation Period, Automatic Early Redemption Valuation Period, Automatic Early Expiration Valuation Period, SPS FR Valuation Period, SPS Redemption Valuation Period, Knock-in Determination Period, Knock-out Determination Period, SPS ACS Valuation Period, or SPS APS Valuation Period, specified in the applicable Final Terms;

**"Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

**"T"** means the relevant Observation Date or SPS Valuation Date;

**"Total M"** means the number specified as such in the applicable Final Terms;

**"Underlying Reference"** means, for the purposes of the SPS Payouts, Coupon Rates and Entitlement Amounts, each Index, Share, ETI, Debt Instrument, Commodity, Commodity Index, Fund, Underlying Interest Rate, Inflation Index or Future or other basis of reference to which the relevant Securities relate;

**"Underlying Reference Weighting"** means, in respect of an Underlying Reference, the number, amount or percentage specified as such for such Underlying Reference in the applicable Final Terms.

**"Up Cap Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Up Final Redemption Value"** means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms; and

**"Up Floor Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Up Strike Percentage"** means the percentage specified as such in the applicable Final Terms;

### **3. FIXED INCOME COUPON RATES AND PAYOUTS**

#### **3.1 Fixed Coupon Interest Rates**

The following Coupon Rate(s) will apply to the Securities if specified in the applicable Final Terms:

(a) **FX Vanilla Coupon**

If FX Vanilla Coupon is specified as applicable in the applicable Final Terms:

Min (Global Cap A, Max (Global Floor A, Gearing A x FX Coupon Performance))

(b) **FI Digital Coupon**

If FI Digital Coupon is specified as applicable in the applicable Final Terms:

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

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

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

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

(c) **FX Digital Coupon**

If FX Digital Coupon is specified as applicable in the applicable Final Terms:

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

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

or

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

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

(d) **Range Accrual Coupon**

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

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

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.

(e) **FX Range Accrual Coupon**

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

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

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

(f) **FX Memory Coupon**

If FX Memory Coupon is specified as applicable in the applicable Final Terms:

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

FI Rate A – Paid FX Memory Coupons; or

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

FI Rate B

Where:

**"Current FX Memory Coupon Interest Period"** means, in respect of a FI Interest Valuation Date, the Interest Period ending on or immediately prior to such FI Interest Valuation Date.

**"Paid FX Memory Coupons"** means, in respect of a FI Interest Valuation Date, the sum of the values calculated for each Interest Period as the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case calculated for each Interest Period preceding the Current FX Memory Coupon Interest Period.

(g) **Combination Floater Coupon**

If Combination Floater is specified as applicable in the applicable Final Terms:

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

(h) **PRDC Coupon**

If PRDC Coupon is specified as applicable in the applicable Final Terms:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero); or

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

Min (Cap, Max (Floor, (Coupon Percentage 1 x PRDC Performance) - Coupon Percentage 2));

- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

Min (Cap, Max (Floor, (Coupon Percentage 1 x PRDC Performance) - Coupon Percentage 2));

- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if a Knock-in Event has occurred but a Knock-out Event has not occurred:  
 Min (Cap, Max (Floor, (Coupon Percentage 1 x PRDC Performance) - Coupon Percentage 2));
  - (B) if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, 0 (zero);

Where:

**"PRDC Performance"** means the quotient of the Final Settlement Price (as numerator) and the Initial Settlement Price (as denominator).

(i) **FI Digital Floor Coupon**

If the Securities are specified in the applicable Final Terms as being FI Digital Floor Coupon Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero);
  - (B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Interest Valuation Date:  
 Digital Floor Percentage 1; or
  - (C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Interest Valuation Date:  
 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 Interest Valuation Date:  
 Digital Floor Percentage 1; or
  - (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Interest Valuation Date:  
 Digital Floor Percentage 2; or
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero); or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Interest Valuation Date:  
 Digital Floor Percentage 1; or

- (C) in all other cases:  
Digital Floor Percentage 2.

(j) **FI Digital Cap Coupon**

If the Securities are specified in the applicable Final Terms as being FI Digital Cap Coupon Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero);
  - (B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Interest Valuation Date:  
Digital Cap Percentage 1; or
  - (C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Interest Valuation Date:  
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 Interest Valuation Date:  
Digital Cap Percentage 1; or
  - (B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Interest Valuation Date:  
Digital Cap Percentage 2; or
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, 0 (zero); or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Interest Valuation Date:  
Digital Cap Percentage 1; or
  - (C) in all other cases:  
Digital Cap Percentage 2.

(k) **FI Target Coupon**

If the Securities are specified in the applicable Final Terms as being FI Target Coupon Securities and an Automatic Early Redemption Event has not occurred, the Coupon Rate in respect of the Target Final Interest Period shall be the Final Interest Rate specified in the applicable Final Terms.

### 3.2 **Definitions for Fixed Income Coupon Rates**

"**Cap**" means the percentage specified as such in the applicable Final Terms;

"**Constant A**" means the percentage specified as such in the applicable Final Terms;

"**Constant B**" means the percentage specified as such in the applicable Final Terms;

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

"**Coupon Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**FI Basket 1**" means the basket of Subject Currencies specified as such in the applicable Final Terms;

"**FI Basket 2**" means the basket of Subject Currencies specified as such in the applicable Final Terms;

"**FI DC Barrier Value**" means, in respect of a FI Interest Valuation Date and an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference;

"**FI Digital Coupon Condition**" means:

- (a) (A) if FI Basket 1 is specified as not applicable in the applicable Final Terms, that the FI DC Barrier Value for Underlying Reference 1 for the relevant FI Interest Valuation Date is or (B) if FI Basket 1 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 1 for the relevant FI Interest Valuation Date is (i)(a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Upper Barrier Level and (ii) if a FI Lower Barrier Level is specified in the applicable Final Terms, (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Lower Barrier Level; and/or
- (b) if FI Digital Coupon Condition 2 is specified as applicable in the applicable Final Terms, (A) if FI Basket 2 is specified as not applicable in the applicable Final Terms that the FI DC Barrier Value for Underlying Reference 2 for the relevant FI Interest Valuation Date is or (B) if FI Basket 2 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 2 for the relevant FI Interest Valuation Date is (i)(a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Upper Barrier Level 2 and (ii) if a FI Lower Barrier Level 2 is specified in the applicable Final Terms, (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the FI Lower Barrier Level 2;

"**FI Interest Valuation Date**" means each Underlying Interest Determination Date, Interest Determination Date, Pricing Date, Averaging Date, Valuation Date, Interest Valuation Date and/or Settlement Price Date specified as such in the applicable Final Terms or each Range Accrual Day;

"**FI Lower Barrier Level**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Lower Barrier Level 2**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Rate**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Rate A**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Rate B**" means the Rate or Inflation Rate as specified in the applicable Final Terms;

"**FI Upper Barrier Level**" means the number, level or percentage specified as such in the applicable Final Terms;

"**FI Upper Barrier Level 2**" means the number, level or percentage specified as such in the applicable Final Terms;

"**Floor**" means the percentage specified as such in the applicable Final Terms;

"**FX Coupon Performance**" means, in respect of an FI Interest Valuation Date:

- (i) in the case of Securities relating to a single Subject Currency, the FX Coupon Performance Value;
- (ii) if Weighted Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Subject Currency in the Relevant Basket as (a) the FX Coupon Performance Value for the relevant Subject Currency for such FI Interest Valuation Date (b) multiplied by the relevant FX Weighting;
- (iii) if Best Of Weighted Basket is specified as applicable in the applicable Final Terms, the highest FX Coupon Performance Value of any Subject Currency in the Relevant Basket in respect of such FI Interest Valuation Date;
- (iv) if Worst Of Weighted Basket is specified as applicable in the applicable Final Terms, the lowest FX Coupon Performance Value of any Subject Currency in the Relevant Basket in respect of such FI Interest Valuation Date;
- (v) if Multi Basket is specified as applicable in the Final Terms:

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

Where:

"**G**" means, in respect of a basket of Subject Currencies, the percentage specified as such for such basket of Subject Currencies in the applicable Final Terms;

"**W**" means, in respect of a Subject Currency, the FX Weighting for such Subject Currency; or

- (vi) if Ranked Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Subject/Base Currency in the Relevant Basket as (a) the FX Coupon Ranked Value for the relevant Subject Currency for such FI Interest Valuation Date multiplied by (b) the relevant FX Weighting;

"**FX Coupon Performance Value**" means, in respect of an FI Interest Valuation Date and a Subject Currency:

- (a) if FX Performance Coupon 1 is specified in the applicable Final Terms,  
FX Final Interest Settlement Price – FX Initial Interest Settlement Price;
- (b) if FX Performance Coupon 2 is specified in the applicable Final Terms,  
FX Initial Interest Settlement Price – FX Final Interest Settlement Price;

- (c) if FX Performance Coupon 3 is specified in the applicable Final Terms,  

$$\frac{(\text{FX Final Interest Settlement Price} - \text{FX Initial Interest Settlement Price})}{\text{FX Final Interest Settlement Price}};$$
- (d) if FX Performance Coupon 4 is specified in the applicable Final Terms,  

$$\frac{(\text{FX Initial Interest Settlement Price} - \text{FX Final Interest Settlement Price})}{\text{FX Final Interest Settlement Price}};$$
- (e) if FX Performance Coupon 5 is specified in the applicable Final Terms,  

$$\left( \frac{1}{\text{FX Initial Interest Settlement Price}} \right) - \left( \frac{1}{\text{FX Final Interest Settlement Price}} \right);$$
- (f) if FX Performance Coupon 6 is specified in the applicable Final Terms,  

$$\left( \frac{1}{\text{FX Final Interest Settlement Price}} \right) - \left( \frac{1}{\text{FX Initial Interest Settlement Price}} \right);$$
- (g) if FX Performance Coupon 7 is specified in the applicable Final Terms,  

$$\frac{(\text{FX Final Interest Settlement Price} - \text{FX Initial Interest Settlement Price})}{\text{FX Initial Interest Settlement Price}};$$
- (h) if FX Performance Coupon 8 is specified in the applicable Final Terms,  

$$\frac{(\text{FX Initial Interest Settlement Price} - \text{FX Final Interest Settlement Price})}{\text{FX Initial Interest Settlement Price}};$$
- (i) if FX Performance Coupon 9 is specified in the applicable Final Terms,  

$$\frac{\text{FX Final Interest Settlement Price}}{\text{FX Initial Interest Settlement Price}};$$
- (j) if FX Performance Coupon 10 is specified in the applicable Final Terms,  

$$\frac{\text{FX Initial Interest Settlement Price}}{\text{FX Final Interest Settlement Price}};$$

**"FX Coupon Ranked Value"** means, in respect of an FI Interest Valuation Date, the FX Coupon Performance Value in respect of the Subject/Base Currency with the FX Coupon Ranking in respect of such FI Interest Valuation Date set out in the applicable Final Terms;

**"FX Coupon Ranking"** means, in respect of an FI Interest Valuation Date, the ordinal positioning of each Subject/Base Currency by FX Coupon Performance Value from lowest FX Coupon Performance Value to greatest FX Coupon Performance Value in respect of such FI Interest Valuation Date

**"FX Final Interest Settlement Price"** means, in respect of a Subject/Base Currency, (i) if Averaging is specified as not applicable in the applicable Final Terms, the Settlement Price on the relevant FI Interest Valuation Date, (ii) if Averaging is specified as applicable in the applicable Final Terms, the arithmetic

average of the Settlement Prices for all Averaging Dates in respect of the relevant FI Interest Valuation Date, (iii) if Highest Look Back is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Subject/Base Currency for all Averaging Dates in respect of the relevant FI Interest Valuation Date or (iv) if Lowest Look Back is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Subject/Base Currency for all Averaging Dates in respect of the relevant FI Interest Valuation Date;

**"FX Initial Interest Settlement Price"** means, in respect of a Subject Currency:

- (a) the amount specified as such in the applicable Final Terms; or
- (b) if Initial Closing Value is specified as applicable in the applicable Final Terms, the Settlement Price for such Subject Currency on the Strike Date; or
- (c) if Initial Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for such Subject Currency for all the Strike Days in the Strike Period; or
- (d) if Highest Look Back Value is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Subject Currency for all the Strike Days in the Strike Period; or
- (e) if Lowest Look Back Value is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Subject Currency for all the Strike Days in the Strike Period.

**"Gearing A"** means the percentage specified as such in the applicable Final Terms;

**"Gearing B"** means the percentage specified as such in the applicable Final Terms;

**"Global Cap"** means the percentage specified as such in the applicable Final Terms;

**"Global Cap A"** means the percentage specified as such in the applicable Final Terms;

**"Global Cap B"** means the percentage specified as such in the applicable Final Terms;

**"Global Floor"** means the percentage specified as such in the applicable Final Terms;

**"Global Floor A"** means the percentage specified as such in the applicable Final Terms;

**"Global Floor B"** means the percentage specified as such in the applicable Final Terms;

**"Global Margin"** means the percentage specified as such in the applicable Final Terms;

**"Local Cap"** means the percentage specified as such in the applicable Final Terms;

**"Local Floor"** means the percentage specified as such in the applicable Final Terms;

**"Multiple Underlying Interest Rate Gearing"** means, in respect of an Underlying Interest Rate<sub>(i)</sub> specified in the applicable Final Terms as a Multiple Underlying Component Rate, the number specified as such in the applicable Final Terms;

**"Multiple Underlying Reference Rate"** means, in respect of an Underlying Interest Rate<sub>(i)</sub> specified in the applicable Final Terms as a Multiple Underlying Component Rate, the Underlying Reference Rate determined in respect of such Underlying Interest Rate.

**"Range Accrual Coupon Barrier Level Down"** means the number, level or percentage specified as such in the applicable Final Terms;

**"Range Accrual Coupon Barrier Level Down 2"** means the number, level or percentage specified as such in the applicable Final Terms;

**"Range Accrual Coupon Barrier Level Up"** means the number, level or percentage specified as such in the applicable Final Terms;

**"Range Accrual Coupon Barrier Level Up 2"** means the number, level or percentage specified as such in the applicable Final Terms;

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

- (a) (A) if FI Basket 1 is specified as not applicable in the applicable Final Terms, that the FI DC Barrier Value for Underlying Reference 1 for the relevant Range Accrual Day is or (B) if FI Basket 1 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 1 for the relevant FI Interest Valuation Date is (a)(i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Down and (b) if a Range Accrual Coupon Barrier Level Up is specified in the applicable Final Terms, (i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up; and/or
- (b) if Range Accrual Coupon Condition 2 is specified as applicable in the applicable Final Terms (A) if FI Basket 2 is specified as not applicable in the applicable Final Terms, that the FI DC Barrier Value for Underlying Reference 2 for the relevant Range Accrual Day is or (B) if FI Basket 2 is specified as applicable in the applicable Final Terms, the FX Coupon Performance for FI Basket 2 for the relevant FI Interest Valuation Date is (a)(i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Down 2 and (b) if a Range Accrual Coupon Barrier Level Up 2 is specified in the applicable Final Terms, (i) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up 2;

**"Range Accrual Day"** means a Scheduled Trading Day, Business Day, Underlying Interest Determination Date, Hybrid Business Day or calendar day, as specified in the applicable Final Terms;

**"Range Cut-off Date"** means the date specified as such in the applicable Final Terms;

**"Range Period"** means the period specified as such in the applicable Final Terms;

**"Range Period End Date"** means the date specified as such in the applicable Final Terms;

**"Rate"** means, in respect of a FI Interest Valuation Date, the fixed rate specified in or the floating rate calculated as provided in, the applicable Final Terms;

**"Relevant Basket"** means FI Basket 1 or FI Basket 2, as applicable;

**"Target Coupon Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Target Determination Date"** means each date specified as such in the applicable Final Terms;

**"Target Final Interest Period"** means the Interest Period ending on the Maturity Date; and

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

### 3.3 Fixed Income Final Payouts

The following final payouts which when multiplied by the applicable NA (each a "**Final Payout**") will apply to the Securities if specified in the applicable Final Terms.

#### (a) FI FX Vanilla Securities

If the Securities are specified in the applicable Final Terms as being FI FX Vanilla Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, FI Constant Percentage 1; or
  - (B) if a Knock-in Event has occurred:  
FI Constant Percentage 1 + (Gearing x Option);
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:  
FI Constant Percentage 1 + (Gearing x Option);
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if a Knock-in Event has occurred but a Knock-out Event has not occurred:  
FI Constant Percentage 1 + (Gearing x Option);
  - (B) if (a) a Knock-in Event and a Knock-out Event have occurred or (b) a Knock-out Event has occurred, FI Constant Percentage 1.

Where:

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

#### (b) FI Digital Floor Securities

If the Securities are specified in the applicable Final Terms as being FI Digital Floor Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, FI Constant Percentage 1;
  - (B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Floor Percentage 1; or
  - (C) if a Knock-in Event has occurred and the FI Digital Floor Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Floor Percentage 2.
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

- (A) if the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Floor Percentage 1; or
- (B) if the FI Digital Floor Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Floor Percentage 2; or
- (iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, FI Constant Percentage 1; or
  - (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Floor Percentage 1; or
  - (C) in all other cases:  
FI Constant Percentage 1 + Digital Floor Percentage 2.

(c) **FI Digital Cap Securities**

If the Securities are specified in the applicable Final Terms as being FI Digital Cap Securities:

- (i) if Knock-in Event is specified as applicable in the applicable Final Terms:
  - (A) if no Knock-in Event has occurred, FI Constant Percentage 1;
  - (B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Cap Percentage 1; or
  - (C) if a Knock-in Event has occurred and the FI Digital Cap Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Cap Percentage 2; or
- (ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:
  - (A) if the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Cap Percentage 1; or
  - (B) if the FI Digital Cap Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:  
FI Constant Percentage 1 + Digital Cap Percentage 2; or

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, FI Constant Percentage 1; or

(B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Digital Cap Percentage 1; or

(C) in all other cases:

FI Constant Percentage 1 + Digital Cap Percentage 2.

(d) **FI Digital Plus Securities**

If the Securities are specified in the applicable Final Terms as being FI Digital Plus Securities:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if, irrespective of whether a Knock-in Event has or has not occurred, the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A x FI Digital Value)); or

(B) if no Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1; or

(C) if a Knock-in Event has occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B x FI Digital Value), FI Digital Floor Percentage));

(ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

(A) if the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A x FI Digital Value)); or

(B) if the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Min (Digital Plus Percentage 2, Max ((Gearing B x FI Digital Value), FI Digital Floor Percentage));

(iii) if Knock-in Event and Knock-out Event are specified as applicable in the applicable Final Terms:

(A) irrespective of whether a Knock-in Event and/or Knock-out Event has occurred, if the FI Digital Plus Condition is satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 1, (Gearing A x FI Digital Value)); or

- (B) if a Knock-in Event has occurred but a Knock-out Event has not occurred and the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:

FI Constant Percentage 1 + Max (Digital Plus Percentage 2, Max ((Gearing B x FI Digital Value), FI Digital Floor Percentage)); or

- (C) in all other cases:

FI Constant Percentage 1.

(e) **FI Inflation Securities**

If the Securities are specified in the applicable Final Terms as being FI Inflation Securities:

Max [100%, Cumulative Inflation Rate]

**3.4 Fixed Income Automatic Early Redemption Payouts**

If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Automatic Early Redemption Payout shall be:

- (a) If Target Automatic Early Redemption is specified as applicable in the applicable Final Terms,  
 $NA \times (100\% + \text{Final Interest Rate});$
- (b) If FI Underlying Automatic Early Redemption is specified as applicable in the applicable Final Terms,  
 NA
- (c) If FI Coupon Automatic Early Redemption is specified as applicable in the applicable Final Terms,  
 $NA \times (100\% + (\text{Min}(\text{Coupon Cap}, \text{Final Coupon Rate}) \times \text{Final Day Count Fraction})).$

**3.5 Definitions for Fixed Income Automatic Early Redemption Payouts**

**"Coupon Cap"** means the percentage specified as such in the applicable Final Terms;

**"Cumulative Inflation Rate"** means  $\text{Inflation Index}_{(t)}/\text{Inflation Index}_{(\text{base})};$

**"Final Interest Rate"** means:

- (a) if Capped and Guaranteed Applicable is specified in the applicable Final Terms, the Automatic Early Redemption Percentage or Target Coupon Percentage, as applicable, less Paid Coupon;
- (b) if Capped and Guaranteed Not Applicable is specified in the applicable Final Terms, the product of the Final Coupon Rate and the Final Day Count Fraction;
- (c) if Capped Only is specified in the applicable Final Terms:  
 $\text{Min}(\text{Final Coupon Rate} \times \text{Final Day Count Fraction}, \text{Automatic Early Redemption Percentage or Target Coupon Percentage}, \text{as applicable}, - \text{Paid Coupon});$
- (d) If Guaranteed Only is specified in the applicable Final Terms:

Max (Final Coupon Rate x Final Day Count Fraction, Automatic Early Redemption Percentage or Target Coupon Percentage, as applicable, – Paid Coupon).

3.6 **General definitions for Fixed Income Coupon Rates, Final Payouts and Automatic Early Redemption Payouts**

"**Digital Cap Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Cap Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Digital Floor Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Floor Percentage 2**" means the percentage specified as such in the applicable Final Terms;

"**Digital Plus Percentage 1**" means the percentage specified as such in the applicable Final Terms;

"**Digital Plus Percentage 2**" means the percentage specified as such in the applicable Final Terms;

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

"**FI Digital Cap Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than or equal to the FI Digital Cap Level;

"**FI Digital Cap Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Floor Condition**" means the FI Digital Value for the relevant FI Valuation Date is less than or equal to the FI Digital Floor Level;

"**FI Digital Floor Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Plus Condition**" means the FI Digital Value for the relevant FI Valuation Date is greater than the FI Digital Plus Level;

"**FI Digital Plus Level**" means (a) the FX Digital Level or (b) the level specified as such, in each case, as specified in the applicable Final Terms;

"**FI Digital Value**" means, in respect of a FI Valuation Date, the Performance Value as specified in the applicable Final Terms;

"**FI Redemption Valuation Date**" means each Settlement Price Date specified as such in the applicable Final Terms;

"**FI Valuation Date**" means each FI Redemption Valuation Date or an FI Interest Valuation Date specified in the applicable Final Terms;

"**Final Coupon Rate**" means the Rate of Interest calculated in respect of the Current Interest Period or Target Final Interest Period, as applicable (the "**Final Interest Period**");

"**Final Day Count Fraction**" means the Day Count Fraction applicable to the Final Interest Period;

"**Final Settlement Price**" means, in respect of a Subject/Base Currency, (i) if Averaging is specified as not applicable in the applicable Final Terms, the Settlement Price on the relevant FI Valuation Date, (ii) if Averaging is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement

Prices for all Averaging Dates, (iii) if Highest Look Back is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Subject/Base Currency for all Averaging Dates or (iv) if Lowest Look Back is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Subject/Base Currency for all Averaging Dates;

"**Floor**" means the percentage specified as such in the applicable Final Terms;

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

- (a) if Performance Value 1 is specified in the applicable Final Terms,  
Final Settlement Price - Initial Settlement Price;
- (b) if Performance Value 2 is specified in the applicable Final Terms,  
Initial Settlement Price - Final Settlement Price;
- (c) if Performance Value 3 is specified in the applicable Final Terms,  
$$\frac{(\text{Final Settlement Price} - \text{Initial Settlement Price})}{\text{Final Settlement Price}};$$
- (d) if Performance Value 4 is specified in the applicable Final Terms,  
$$\frac{(\text{Initial Settlement Price} - \text{Final Settlement Price})}{\text{Final Settlement Price}};$$
- (e) if Performance Value 5 is specified in the applicable Final Terms,  
$$\left(\frac{1}{\text{Initial Settlement Price}}\right) - \left(\frac{1}{\text{Final Settlement Price}}\right);$$
- (f) if Performance Value 6 is specified in the applicable Final Terms,  
$$\left(\frac{1}{\text{Final Settlement Price}}\right) - \left(\frac{1}{\text{Initial Settlement Price}}\right);$$
- (g) if Performance Value 7 is specified in the applicable Final Terms,  
$$\frac{(\text{Final Settlement Price} - \text{Initial Settlement Price})}{\text{Initial Settlement Price}};$$
- (h) if Performance Value 8 is specified in the applicable Final Terms,  
$$\frac{(\text{Initial Settlement Price} - \text{Final Settlement Price})}{\text{Initial Settlement Price}};$$
- (i) if Performance Value 9 is specified in the applicable Final Terms,  
$$\frac{\text{Final Settlement Price}}{\text{Initial Settlement Price}};$$
- (j) if Performance Value 10 is specified in the applicable Final Terms,  
$$\frac{\text{Initial Settlement Price}}{\text{Final Settlement Price}}.$$

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

**"FX Weighting"** means, in respect of a Subject Currency, the number, amount or percentage specified as such for such Subject Currency in the applicable Final Terms;

**"Gearing"** means the percentage specified as such in the applicable Final Terms;

**"Gearing A"** means the percentage specified as such in the applicable Final Terms;

**"Gearing B"** means the percentage specified as such in the applicable Final Terms;

**"Inflation Index<sub>(i)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference in respect of the relevant FI Valuation Date;

**"Inflation Index<sub>(i-1)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the immediately preceding FI Valuation Date (or, if none, the Strike Date);

**"Inflation Index<sub>(base)</sub>"** means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the Strike Date;

**"Inflation Rate"** means, in respect of a FI Valuation Date, YoY Inflation Rate or Cumulative Inflation Rate, as specified in the applicable Final Terms;

**"Initial Settlement Price"** means, in respect of a Subject Currency:

- (a) the amount specified as such in the applicable Final Terms; or
- (b) if Initial Closing Value is specified as applicable in the applicable Final Terms, the Settlement Price for such Subject Currency on the Strike Date; or
- (c) if Initial Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for such Subject Currency for all the Strike Days in the Strike Period; or
- (d) if Highest Look Back Value is specified as applicable in the applicable Final Terms, the highest Settlement Price for such Subject Currency for all the Strike Days in the Strike Period; or
- (e) if Lowest Look Back Value is specified as applicable in the applicable Final Terms, the lowest Settlement Price for such Subject Currency for all the Strike Days in the Strike Period.

**"NA"** means the Calculation Amount;

**"Paid Coupon"** means, in respect of an Automatic Early Redemption Valuation Date or Target Determination Date, the sum of the values calculated for each Interest Period as the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case calculated for each Interest Period preceding the Current Interest Period (in the case of an Automatic Early Redemption Valuation Date) or the Target Final Interest Period (in the case of a Target Determination Date);

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

- (i) in the case of Securities relating to a single Subject Currency, the FX Performance Value;
- (ii) if Weighted Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Subject Currency in the Basket as (a) the FX Performance Value for the relevant Subject Currency for such FI Valuation Date (b) multiplied by the relevant FX Weighting;

- (iii) if Best Of Weighted Basket is specified as applicable in the applicable Final Terms, the highest FX Performance Value of any Subject Currency in the Relevant Basket in respect of such FI Valuation Date;
- (iv) if Worst Of Weighted Basket is specified as applicable in the applicable Final Terms, the lowest FX Performance Value of any Subject Currency in the Relevant Basket in respect of such FI Valuation Date;
- (v) if Multi Basket is specified as applicable in the Final Terms:

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

Where:

"**G**" means, in respect of a basket of Subject Currencies, the percentage specified as such for such basket of Subject Currencies in the applicable Final Terms;

"**W**" means, in respect of a Subject Currency, the FX Weighting for such Subject Currency; or

- (vi) if Ranked Basket is specified as applicable in the applicable Final Terms, the sum of the values calculated for each Subject/Base Currency in the Relevant Basket as (a) the Ranked Value for the relevant Subject Currency for such FI Valuation Date multiplied by (b) the relevant FX Weighting;

"**Ranked Value**" means, in respect of an FI Valuation Date, the FX Performance Value in respect of the Subject/Base Currency with the FX Ranking in respect of such FI Valuation Date set out in the applicable Final Terms;

"**Underlying Reference**" means, for the purposes of the Fixed Income Payouts, each Inflation Index, Subject Currency, Underlying Interest Rate or other basis of reference to which the relevant Securities relate. If two or more Underlying Interest Rates are specified in the applicable Final Terms as Multiple Underlying Component Rates each Underlying Interest Rate<sub>(i)</sub> specified as such (together the "**Multiple Underlying Interest Rate**") will be calculated separately and independently but for the purposes of these Payout Conditions and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

"**Underlying Reference 1**" means the Underlying Reference specified as such in the applicable Final Terms;

"**Underlying Reference 2**" means the Underlying Reference specified as such in the applicable Final Terms;

"**Underlying Reference Closing Value**" means, in respect of a FI Valuation Date:

- (a) if the relevant Underlying Reference is an Inflation Index, the Relevant Level (as defined in the Inflation Linked Conditions); or
- (b) if the relevant Underlying Reference is a rate of interest, the Underlying Reference Rate or, if Multiple Underlying Interest Rate is specified as applicable, the value calculated in accordance with the following formula:

$$\sum_{i=1}^n \text{MultipleUnderlying InterestRateGearing}_{(i)} \times \text{MultipleUnderlying ReferenceRate}_{(i)}$$

or

- (c) if the relevant Underlying Reference is a Subject Currency, the Settlement Price or FX Coupon Performance Value, as specified in the applicable Final Terms,
- in each case in respect of such day.

#### **4. FORMULAE CONSTITUENTS AND COMPLETION**

The constituent parts (each a "**Formula Constituent**") of any formula (each a "**Formula**") used in the Payout Conditions and which are to be specified in the applicable Final Terms may be replaced in the applicable Final Terms by the prescribed amount, level, percentage or other value, as applicable for such Formula Constituent.

If a Formula Constituent has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant Securities, then the related Formula may be simplified in the applicable Final Terms by deleting such Formula Constituent.

Any number or percentage to be specified in the applicable Final Terms for the purposes of these Payout Conditions may be a positive or negative, as specified in the applicable Final Terms.

#### **5. CALCULATION AGENT**

Unless otherwise specified, the calculation or determination of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion required or permitted to be determined, formed or exercised pursuant to these Payout Conditions will be calculated, determined, formed or exercised by the Calculation Agent.

Any calculation, determination, formation of any opinion or exercise of any discretion by the Calculation Agent pursuant to the Securities shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. In performing its duties pursuant to the Securities, the Calculation Agent shall, unless otherwise specified, act in good faith and in a commercially reasonable manner. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or making any determination under the Securities shall not affect the validity or binding nature of any later performance or exercise of such obligation or determination, and none of the Calculation Agent, the Issuer or the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

## ANNEX 2

### ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Index Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Index Securities set out below (the "**Index 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 Conditions and (ii) the Index Security Conditions, the Index Security provisions shall prevail. References in the Index Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" and "Notes" as the context admits.

#### 1. Definitions

"**Basket of Indices**" means a basket composed of each Index specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the relevant securities;

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**Closing Level**" means, in respect of an Index and a Scheduled Trading Day, the official closing level of such Index on such day as determined by the Calculation Agent, subject as provided in Index Security Condition 3 (Adjustments to an Index);

"**Component Security**" means, in respect of a Composite Index, each component security of such Index;

"**Component Security Index**" means any Index specified as such in the applicable Final Terms or, if not so specified, any Index which the Calculation Agent determines to be such an Index;

"**Composite Index**" means any Index which is either a Component Security Index or a Multi-Exchange Index;

"**Disrupted Day**" means:

- (a) in respect of any Composite Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred; and
- (b) in respect of an Index that is not a Composite Index, any Scheduled Trading Day on which (i) the relevant Exchange and/or any Related Exchange fails to open for trading during its regular trading session or (ii) a Market Disruption Event has occurred;

"**Early Closure**" means:

- (a) in respect of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the

submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and

- (b) in the case of an Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange"** means:

- (a) in the case of a Composite Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and
- (b) in the case of any Index which is not a Composite Index, in respect of such Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single Index, Exchange Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Exchange Business Day (All Indices Basis) or (ii) Exchange Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Indices Basis) shall apply;

**"Exchange Business Day (All Indices Basis)"** means any Scheduled Trading Day on which (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are open for trading during their respective regular trading session(s) in respect of such Indices, notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time and (b) in respect of any Composite Indices, (i) the Index Sponsor publishes the level of such Composite Indices and (ii) each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Indices, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Trading Day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index, (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) the Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Index Basis)"** means any Scheduled Trading Day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) the relevant Related

Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means:

- (a) in respect of a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (b) in the case of an Index which is not a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange;

**"Index"** and **"Indices"** mean, subject to adjustment in accordance with this Annex 2, the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Index Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

**"Index Sponsor"** means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms;

**"Intraday Level"** means, in respect of an Index and any time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent, subject as provided in Index Security Condition 3 (Adjustments to an Index);

**"Multi-Exchange Index"** means any Index specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Related Exchange"** means, in relation to an Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index;

**"Scheduled Trading Day"** means either (a) in the case of a single Index, Scheduled Trading Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Scheduled Trading Day (All Indices Basis) or (ii) Scheduled Trading Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided

that if no such specification is made in the applicable Final Terms, Scheduled Trading Day (All Indices Basis) shall apply;

**"Scheduled Trading Day (All Indices Basis)"** means any day on which (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s) in respect of such Indices, and (b) in respect of any Composite Indices, (i) the Index Sponsor is scheduled to publish the level of such Composite Indices and (ii) each Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Indices;

**"Scheduled Trading Day (Per Index Basis)"** means, in respect of an Index, any day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s), and (b) in respect of a Composite Index, (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (ii) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index;

**"Scheduled Trading Day (Single Index Basis)"** means any day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s), and (b) in respect of a Composite Index (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (ii) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index;

**"Settlement Cycle"** means, in respect of an Index, the period of Clearance System Days following a trade in the security comprising such Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Security and subject to the provisions of this Annex 2 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the official closing level or official opening level, as specified in the applicable Final Terms, for such Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the official closing level or official opening level, as specified in the applicable Final Terms, of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date, as the case may be; and

**"Trading Disruption"** means:

- (a) in respect of a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (b) in the case of an Index which is not a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or (ii) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

## 2. **Market Disruption**

**"Market Disruption Event"** means:

- (a) in respect of a Composite Index either:
  - (i) (A) the occurrence or existence, in respect of any Component Security, of:
    - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
    - (2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
    - (3) an Early Closure in respect of such Component Security; and
  - (B) in respect of a Multi-Exchange Index only, the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (A) a Trading Disruption; (B) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange; or (C) an Early Closure, in each case in respect of such futures or options contracts.

In the case of a Multi-Exchange Index, for the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data"; and

- (b) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (A) the portion of the level of such Index attributable to that security and (B) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 17 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

### **3. Adjustments to an Index**

#### **3.1 Successor Index Sponsor Calculates and Reports an Index**

If a relevant Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

#### **3.2 Modification and Cessation of Calculation of an Index**

If (a) on or prior to the Strike Date, the last Averaging Date, the last Observation Date or the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (b) on the Strike Date, an Averaging Date, an Observation Date or a Valuation Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**") and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**", then:

- (a) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant value, level or price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Strike Date, that Valuation Date, that Observation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or
- (b) in the case of Italian Listed Notes, the Calculation Agent may replace the relevant Index with a new similar index, multiplied, if need be by a linking coefficient allowing to ensure continuity in the condition of the underlying of the Securities; or
- (c) (i) unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the

Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Index Adjustment Event, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, as applicable, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or

- (ii) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Index Adjustment Event less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (as specified in the applicable Final Terms).

Notwithstanding the foregoing, in the case of Italian Listed Notes, the Calculation Agent will adjust any relevant terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

### 3.3 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to paragraph 3.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 4. Correction of Index

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor, (a) in respect of a Composite Index, no later than five Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the level to be used shall be the level of the Index as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 5. Custom Index

Index Security Conditions 6 to 8 apply if "Custom Index" is specified as applicable in the applicable Final Terms. In the event of any inconsistency between the provisions of Index Security Conditions 6 to 8 and the other Index Security Conditions, the provisions of Index Security Conditions 6 to 8 shall prevail.

## **6. Adjustments to a Custom Index and Custom Index Disruption**

### **6.1 Successor Index Sponsor Calculates and Reports an Index**

If a relevant Custom Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Custom Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

### **6.2 Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption**

If (a) on or prior to the Strike Date, the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels a relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on the Strike Date, a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption Event**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (a) in the case of Custom Index Securities relating to a single Custom Index where Scheduled Custom Index Business Days (Single Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring, unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption Event and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index;
  - (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike

Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date), the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:

- (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or
- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with Condition 17 and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine acting in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, as determined by the Calculation

Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or

II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event, less, unless if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Maturity Date at a rate equal to the Issuer's funding cost at such time; or

(E) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

(b) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (All Indices Basis) is specified as applicable in the applicable Final Terms, then:

(i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring in respect of any Custom Index (each an "**Affected Custom Index**") on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring in respect of any of the Custom Indices in the Basket of Custom Indices, unless there is a Custom Index Disruption Event in respect of any one of the Custom Indices in the Basket of Custom Indices on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices, notwithstanding the Custom Index Disruption Event in respect of an Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using (X) in respect of any Custom Index which is not an Affected Custom

Index, the method provided for in these Index Security Conditions and (Y) in respect of any Custom Index in the Basket of Custom Indices which is an Affected Custom Index, commercially reasonable efforts to determine the level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
  - (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption Event is not occurring in respect of any Custom Index (each an "**Affected Custom Index**") comprised in the Basket of Custom Indices unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for all Custom Indices in the Basket of Custom Indices and may determine the relevant level, value or price by using (X) in respect of any Custom Index in the Basket of Custom Indices which is not an Affected Custom Index, the method provided for in these Security Conditions and (Y) in respect of any Custom Index in the Basket of Custom Indices which is an Affected Custom Index, commercially reasonable efforts to determine a level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or
  - (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with Condition 17 and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if

- any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine acting in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
- II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Security Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event less, unless Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Maturity Date at a rate equal to the Issuer's funding cost at such time; or
- (E) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket of Custom Indices which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

- (c) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (Per Index Basis) is specified as applicable in the applicable Final Terms, then:
- (i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index not affected by the occurrence of the Custom Index Disruption Event shall be the scheduled last Valuation Date, last Averaging Date or last Observation Date, as the case may be, and the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices affected by the Custom Index Disruption Event (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring in respect of such Affected Custom Index, unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for the relevant Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Affected Custom Index;
  - (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
    - (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date or Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices not affected by the occurrence of the Custom Index Disruption Event shall be the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, and the Strike Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices affected by the Custom Index Disruption Event (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date or Observation Date, as the case may be) on which a Custom Index Disruption Event is not occurring in respect of such Affected Custom Index unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive

Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date or Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date or Observation Date, as the case may be) for the relevant Affected Custom index and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine acting in good faith and a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D)
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Securities, which case it will so notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 17. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
  - II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event less, unless if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and

on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Maturity Date at a rate equal to the Issuer's funding cost at such time; or

- (E) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket of Custom Indices on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

### 6.3 **Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to Index Security Condition 6.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

### 7. **Correction of Custom Index**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities calculated by reference to the level of a Custom Index, if the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

### 8. **Definitions relating to Custom Indices**

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

"**Banking Day**" means any week day except for 25 December and 1 January in any year;

"**Basket of Custom Indices**" means a basket comprised of two or more Custom Indices;

"**Closing Level**" means, in respect of a Custom Index and a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such day as determined by the Calculation Agent,

subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Custom Index"** or **"Custom Indices"** mean, subject to adjustment in accordance with this Annex 2, any index or indices specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Custom Index Business Day"** means either (a) in the case of a single Index, Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Custom Index Business Day (All Indices Basis) or Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Custom Index Business Day (All Indices Basis) shall apply;

**"Custom Index Business Day (All Indices Basis)"** means any Scheduled Custom Index Business Day in respect of which (a) the level of the Custom Index is calculated and made available and (b) it is a Custom Index Trading Day in respect of all Indices in the Basket of Custom Indices;

**"Custom Index Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Custom Index Business Day in respect of which (a) the level of the Custom Index is calculated and made available and (b) it is Custom Index Trading Day;

**"Custom Index Business Day (Single Index Basis)"** means any Scheduled Custom Index Business Day on which (a) the level of the Custom Index is calculated and made available and (b) it is a Custom Index Trading Day;

**"Custom Index Correction Period"** means the period specified in the applicable Final Terms or if none is so specified, ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Custom Index shall be disregarded for the purposes of any calculations to be made using the level of the Custom Index;

**"Custom Index Trading Day"** means, in respect of a Custom Index, any day with respect to which the Issuer and/or any of its Affiliates determines acting in good faith and in a commercially reasonable manner it is able to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any asset it deems necessary to hedge its obligations in respect of such Custom Index under the Securities;

**"Disrupted Day"** means any Scheduled Custom Index Business Day on which a Custom Index Disruption Event has occurred or is continuing in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner;

**"Index Sponsor"** means, in relation to a Custom Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Custom Index and (b) ensures the calculation and publication of the level of such Custom Index on a regular basis (directly or through an agent) in accordance with the rules of the Custom Index, which as of the Issue Date of the Securities is the index sponsor specified for such Custom Index in the applicable Final Terms;

**"Intraday Level"** means, in respect of a Custom Index and any time on a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such time or such day as determined by the Calculation Agent, subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Observation Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) below shall apply;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Scheduled Custom Index Business Day"** means either (a) in the case of a single Index, Scheduled Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Scheduled Custom Index Business Day (All Indices Basis) or Scheduled Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Custom Index Business Day (All Indices Basis) shall apply;

**"Scheduled Custom Index Business Day (All Indices Basis)"** means any Banking Day (a) in respect of which the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day in respect of all Custom Indices in the Basket of Custom Indices;

**"Scheduled Custom Index Business Day (Per Index Basis)"** means in respect of an Index, any Banking Day (a) on which the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

**"Scheduled Custom Index Business Day (Single Index Basis)"** means any Banking Day on which (a) the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date", as the case may be:

- (a) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Index comprising the Basket of Custom Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the level for each such Custom Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, 20 Scheduled Custom Index Business Days;

**"Strike Date"** means the date(s) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) above shall apply;

**"Strike Price"** means, subject as referred to in "Strike Date" above:

- (a) in the case of Index Securities relating to a single Index, an amount equal to the level of the Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and
- (b) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Custom Index comprising the Basket of Custom Indices, an amount equal to the level of each such Custom Index published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date multiplied by the relevant Weighting.

**"Valid Date"** means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

**"Valuation Date"** means, the Interest Valuation Date and/or Automatic Early Redemption Valuation Date and/or Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time by reference to which the Index Sponsor determines the level of the Index.

## **9. Futures Price Valuation**

9.1 If "Futures Price Valuation" is specified as applicable in relation to an Index in the applicable Final Terms, in respect of such Index, the following provisions shall apply to these Index Security Conditions:

**"First Traded Price"** means, in relation to each Cash Settled Security and subject to the provisions of this Annex 2:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Actual First Traded Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on the relevant Settlement Price Date, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Actual First Traded Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on the relevant Settlement Price Date.

**"Settlement Price"** means, in relation to each Cash Settled Security and subject to the provisions of this Annex 2:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices) any constituent Index any reference to such Index or constituent Index in the definition of Scheduled Trading Day will be deemed not to apply and instead a Scheduled Trading Day must be a day on which the Official Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the Actual First Traded Price, as applicable, is scheduled to be published by the relevant Futures or Options Exchange in relation to each such Index to which Futures Price Valuation applies.

Where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices) any constituent Index, an Exchange Business Day must be a day on which the relevant Futures or Options Exchange in relation to each such Index is open for trading during their regular trading session(s), notwithstanding any such Futures or Options Exchange closing prior to its scheduled weekday closing time on such Exchange Business Day, without regard to after hours or any other trading outside of the regular trading session hours.

The Disrupted Day provisions in the Conditions and/or these Index Security Conditions will not apply in relation to any Index or (in the case of a Basket of Indices, any Index comprising the Basket of Indices) in respect of which Futures Price Valuation applies, unless there is a Non-Commencement or Discontinuance of the Exchange-traded Contract, in which case the Disrupted Day provisions will apply to the relevant Index or constituent Index.

For these purposes:

**"Actual First Traded Price"** means the price at which the relevant Exchange-traded Contract is first traded on the relevant Futures or Options Exchange or its clearing house after 5:29:59 p.m. (Central European Time) as appearing first on the list of prices for such time published on the Relevant Futures or Options Exchange Website (as specified in the applicable Final Terms) or the Relevant FTP Screen Page (as specified in the applicable Final Terms), as applicable, or, if such Relevant Futures or Options Exchange Website or Relevant FTP Screen Page is not available, such replacement website or page as the Calculation Agent shall select or, subject to Index Security Condition 9.4 (*Non-Commencement or Discontinuance of an Exchange-traded Contract*), if the Relevant Futures or Options Exchange Website or Relevant FTP Screen Page is not available and the Calculation Agent determines that no replacement website or page exists or no such price is published after such time, the price determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to such sources as it considers appropriate.

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Index Security Condition 9.2 (Rolling Futures Contract Securities) below.

**"Exchange-traded Contract"** means, in relation to an Index, the futures or options contract(s) specified as such for the Index in the applicable Final Terms, in each case, identified by reference to (a) the Index to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means, in respect of an Index, the relevant exchange specified in the description of the Exchange-traded Contract for such Index in the applicable Final Terms.

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent acting in good faith and a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Non-Commencement or Discontinuance of the Exchange-traded Contract"** means there is no Official Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the Actual First Traded Price, as applicable, as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to Valuation Date, Observation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Index.

**"Official Settlement Price"** means the official settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

**"Protected Amount"** means the amount specified as such in the applicable Final Terms.

## 9.2 **Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Index that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of 9.3 (Adjustments to an Exchange-traded Contract) or 9.4 (Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17, as applicable. If the Securities are so redeemed the Issuer

will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms as applicable, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or

- (b) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms).

### 9.3 **Adjustments to an Exchange-traded Contract**

Without duplication of Index Security Condition 3 (Adjustments to an Index) or Index Security Condition 4 (Correction of Index) (which shall govern in the event of a conflict), in the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

### 9.4 **Non-Commencement or Discontinuance of an Exchange-traded Contract**

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract the Official Settlement Price or Actual First Traded Price, as applicable, for any Valuation Date, Observation Date, Averaging Date or any other relevant date for valuation or observation, as the case may be, of the relevant Index shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange or, in the case of a Composite Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor, in each case on the Valuation Date, Observation Date, Averaging Date or other relevant date.

### 9.5 **Correction of the Official Settlement Price or Actual First Traded Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Official Settlement Price or Actual First Traded Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, (a) in respect of a Composite Index, no later than five Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the Official Settlement Price or Actual First Traded Price, as applicable, to be used shall be the Official Settlement Price or Actual First Traded Price, as applicable, as so corrected. Corrections published after the day which is three Business Days prior to a due

date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## ANNEX 3

### ADDITIONAL TERMS AND CONDITIONS FOR SHARE SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Share Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Share Securities set out below (the "**Share 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 Conditions and (ii) the Share Security Conditions, the Share Security Conditions shall prevail. References in the Share Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" and "Notes" as the context admits.

#### 1. Definitions

"**Basket Company**" means each company specified as such in the applicable Final Terms and "**Basket Companies**" means all such companies;

"**Basket of Shares**" means (a) a basket composed of Shares of each Basket Company specified in the applicable Final Terms in the weightings or numbers of Shares of each Basket Company specified in the applicable Final Terms or (b) a Relative Performance Basket;

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the relevant Share;

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**Closing Price**" means, in respect of a Share and a Scheduled Trading Day, the official closing price of such Share on such day as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" is specified as applicable);

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

"**Exchange**" means, in respect of a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exchange Business Day**" means either (a) in the case of a single Share, Exchange Business Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Exchange Business Day (All Shares Basis) or (ii)

Exchange Business Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Share Basis) shall apply;

**"Exchange Business Day (All Shares Basis)"** means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Per Share Basis)"** means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single Share Basis)"** means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Share(s) on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the Share(s) on any relevant Related Exchange;

**"Extraordinary Event Effective Date"** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

**"Intraday Price"** means, in respect of a Share and any time on a Scheduled Trading Day, the published or quoted price of such Share at such time on such day as determined by the Calculation Agent, subject as provided in Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" is specified as applicable);

**"Italian Securities Reference Price"** means the *Prezzo di Riferimento*, which means, in relation to a Share and a Scheduled Trading Day, the price for such Share published by the Italian Stock Exchange at the close of trading for such day and having the meaning ascribed thereto in the Rules of the Market organised and managed by the Italian Stock Exchange, as such Rules may be amended by the Borsa Italiana S.p.a from time to time;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Related Exchange"** means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;

**"Relative Performance Basket"** means a basket composed of Shares of each Basket Company specified in the applicable Final Terms where no weighting shall be applicable and where the Cash Settlement Amount shall be determined by reference to the Share which is either (a) the best performing, or (b) the worst performing, in each case as specified in the applicable Final Terms;

**"Scheduled Trading Day"** means either (a) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Scheduled Trading Day (All Shares Basis) or (ii) Scheduled Trading Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per Share Basis) shall apply;

**"Scheduled Trading Day (All Shares Basis)"** means, in respect of a Basket of Shares, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s);

**"Scheduled Trading Day (Per Share Basis)"** means, in respect of a Share, any day on which the relevant Exchange and the relevant Related Exchange in respect of such Share are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single Share Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

**"Settlement Cycle"** means in respect of a Share, the period of Clearance System Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, in relation to each Cash Settled Security and subject to the provisions of this Annex 3 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (a) in the case of Share Securities relating to a Basket of Shares and in respect of each Share comprising the Basket of Shares, an amount equal to the official closing price or the Italian Securities Reference Price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or, 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, as determined by the Calculation Agent acting in good faith and a commercially reasonable manner either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share or on such other factors as the

Calculation Agent shall decide), multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent, acting in good faith and in a commercially reasonable manner; and

- (b) in the case of Share Securities relating to a single Share, an amount equal to the official closing price or the Italian Securities Reference Price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or, 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, as determined by the Calculation Agent's, acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent, acting in good faith and in a commercially reasonable manner;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date, as the case may be;

**"Shares"** and **"Share"** mean, subject to adjustment in accordance with this Annex 3, in the case of an issue of Securities relating to a Basket of Shares, each share and, in the case of an issue of Securities relating to a single Share, the share, specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Share Company"** means, in the case of an issue of Securities relating to a single Share, the company that has issued such Share;

**"Share Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle; and

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (a) relating to the Share on the Exchange; or (b) in futures or options contracts relating to the Share on any relevant Related Exchange.

## 2. **Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which

in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 17 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date as the case may be.

### 3. **Potential Adjustment Events**

**"Potential Adjustment Event"** means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company or Share Company, as the case may be, equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Company or Share Company, as the case may be, as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an extraordinary dividend as determined by the Calculation Agent;
- (d) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;
- (e) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, certificates, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable

manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Notwithstanding the foregoing, in the case of Italian Listed Notes the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 17 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

#### **4. Extraordinary Events**

- 4.1 The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, or Listing Suspension or CSR Event, as the case may be, shall be deemed to be an "**Extraordinary Event**", the consequences of which are set forth in Share Security Condition 4.2:

"**CSR Event**" means, in respect of Share Securities relating to a Basket of Shares any negative change in any Non-Financial Rating of a Basket Company when compared to such Non-Financial Rating as at the Issue Date of the first tranche of the series, if such change is material, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

"**De-Listing**" means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (a) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (b) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Illiquidity**" means, in respect of Share Securities relating to a Basket of Shares, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days falling after the Issue Date (the "**Relevant Period**"), (a) the difference between the bid prices and the ask prices in respect of a Share during the Relevant Period is greater than 1 per cent. (on average), and/or (b) the average purchase price or the average selling price, determined by the Calculation Agent from the order book of the relevant Share on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of Shares with a value equal to or greater than EUR 10,000.00, is greater than MID plus 1 per cent. (in relation to a purchase of Shares) or lower than the MID minus 1 per cent. (in relation to a sale of Shares). For these purposes, "**MID**" means an amount equal to (i) the sum of the bid price and the ask price, in each case for the relevant Share at the relevant time, (ii) divided by two.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Company or Share Company, as the case may be, (a) all the Shares of that Basket Company or Share Company, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

**"Listing Change"** means, in respect of any relevant Shares, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such Shares were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Event).

**"Listing Suspension"** means, in respect of any relevant Shares, that the listing of such Shares on the Exchange has been suspended.

**"Merger Event"** means, in respect of any relevant Shares, any:

- (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person,
- (b) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding),
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or
- (d) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Maturity Date.

**"Nationalisation"** means that all the Shares or all or substantially all the assets of the Basket Company or Share Company, as the case may be, are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

**"Non-Financial Rating"** means the rating assigned to the Basket Company by the relevant non-financial rating agency being an entity assigning ratings based on corporate social responsibility (including corporate governance and ethical business conduct, social and human resources policy, environmental protection policy and social initiatives) (each such agency, a **"Non-Financial Rating Agency"**).

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the Basket Company or Share Company, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

#### 4.2 Consequences of the occurrence of an Extraordinary Event:

If an Extraordinary Event occurs in relation to a Share, the Issuer may take any of the relevant actions described in (a), (b), or (c) or, in the case of Securities relating to a Basket of Shares (d) below as it deems appropriate:

- (a) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of subparagraph (e) below;
- (b) in the case of Share Securities relating to a Basket of Shares, redeem in part by giving notice to Holders in accordance with Condition 17. If the Securities are so cancelled or redeemed, as the case may be, in part the portion (the "**Settled Amount**") of each Security representing the affected Share(s) shall be redeemed and the Issuer will:
  - (i) pay to each Holder in respect of each Security held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and
  - (ii) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such cancellation or redemption, as the case may be, in part.

For the avoidance of doubt the remaining part of each Security after such redemption and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17;

- (c) (i) unless Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Extraordinary Event, less,

except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or

- (ii) if Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of such Security, taking into account the relevant Extraordinary Event, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or
- (d) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (e) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

Initial Price = A × (B/C)

where:

"A" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected Share; and

"C" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner:

- (i) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (A) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (B) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (i) above, but such share is already included in the Basket of Shares or such Share does not satisfy the criteria set out in paragraph (i) above, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
  - (A) the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company;
  - (B) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company; and
  - (C) in the case of a CSR Event only, the relevant issuer of the share shall have a comparable Non-Financial Rating to the Affected Basket Company.

If the Calculation Agent determines that more than one Extraordinary Event occurs in respect of a Share Company or a Basket Company, which are not connected and have different consequences pursuant to this Share Security Condition 4.2, the Calculation Agent will determine which such Extraordinary Event and related consequences shall apply acting in good faith and in a commercially reasonable manner.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance Condition 17 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

## 5. **Correction of Share Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the price of the relevant Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## 6. **Dividend Payment**

If "Dividend Payment" is specified as being applicable in the applicable Final Terms, the following provisions shall apply to the Securities:

- (a) In the event that on or after the Issue Date a Cash Dividend is paid by the Share Company or Basket Company, as the case may be, notwithstanding any provisions in these Terms and Conditions to the contrary, the Calculation Agent shall calculate (i) the relevant Distributed Amount and (ii) the relevant Dividend Date.
- (b) As soon as practicable following the Dividend Date, the Issuer shall give notice (a "**Cash Dividend Notice**") to the Holders in accordance with Condition 17 of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor, if applicable, shall pay to each Holder on the Cash Dividend Payment Date an amount equal to the Cash Dividend Amount in respect of each Security held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Maturity Date the Issuer shall not be obliged to pay such Cash Dividend Amount and the Issuer and/or the Guarantor, if applicable, shall have no further obligation in respect thereof.
- (c) The Cash Dividend Notice shall specify the manner in which the Cash Dividend Amount shall be paid to each Holder.

For the purposes of this Share Security Condition 6 the following definitions shall apply:

**"Cash Dividend"** means any cash dividend paid by the Share Company or Basket Company in respect of a Share;

**"Cash Dividend Amount"** means, in respect of a Security, an amount calculated by the Calculation Agent equal to the Distributed Amount less a *pro rata* share of Dividend Expenses, such amount to be converted into the Settlement Currency at an exchange rate determined by the Calculation Agent acting in good faith and in a commercially reasonable manner on or as soon as practicable after the Dividend Date;

**"Cash Dividend Payment Date"** means, in respect of a Cash Dividend, the date specified as such in the relevant Cash Dividend Notice;

**"Distributed Amount"** means, in respect of a Cash Dividend, the amount of such dividend paid by the Share Company in respect of a Share, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

**"Dividend Date"** means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a holder of the Share as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and

**"Dividend Expenses"** means all present, future or contingent withholding, capital gain, profit, transactional or business tax or other similar tax or duty (including stamp duty) and/or expenses (including any applicable depository charges, transaction charges, issue, registration, transfer and/or other expenses) which the Calculation Agent determines have been or may be deducted and/or may arise or may have arisen in respect of the Cash Dividend and/or any payment of the Cash Dividend Amount in respect of the Securities.

## 7. **GDR/ADR**

Share Security Conditions 8 to 12 (inclusive) apply where "GDR/ADR" is specified as applicable in the applicable Final Terms.

## 8. **Definitions relating to GDR/ADR**

**"ADR"** means an American Depositary Receipt;

**"Conversion Event"** means any event which in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed Securities of the issuer of the Underlying Shares;

**"GDR"** means a Global Depositary Receipt; and

**"Underlying Shares"** means the shares underlying an ADR or GDR, as the case may be.

## 9. **General**

Save where specifically provided under the Final Terms, all references in the Conditions and the Share Security Conditions to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable, and/or the Underlying Shares, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the Underlying Shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the Underlying Shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the holders of Securities.

## 10. **Share Event**

Upon the occurrence of a Share Event, the Issuer may take the action described in paragraphs (a), (b), (c) or (d), as applicable, of Share Security Condition 4.2. The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 17 stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto.

**"Share Event"** means each of the following events:

- (a) written instructions have been given by the Issuer or a Qualified Investor to the depository of the Underlying Shares to withdraw or surrender the Underlying Shares;

(b) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event, the Calculation Agent, acting in good faith and in a commercially reasonable manner determine which of these events such event constitutes.

**11. Potential Adjustment Event**

The following additional event shall be deemed added to paragraph (b) of the definition of Potential Adjustment Event in Share Security Condition 3:

"and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares".

**12. Extraordinary Events**

The following additional events shall be deemed added to the first paragraph of Share Security Condition 4.1 after the words "as not applicable in the applicable Final Terms)":

"Conversion Event".

## ANNEX 4

### ADDITIONAL TERMS AND CONDITIONS FOR ETI SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as ETI Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for ETI Securities set out below (the "**ETI 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 Conditions and (ii) the ETI Security Conditions, the ETI Security Conditions shall prevail. References in the ETI Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. **Definitions**

"**Basket Trigger Event**" means that an Extraordinary ETI Event occurs in respect of one or more ETI Interests or the related ETI comprising the ETI Basket which has or, in the event that an Extraordinary ETI Event has occurred in respect of more than one ETI, together have, a Weighting in the ETI Basket equal to or greater than the Basket Trigger Level;

"**Basket Trigger Level**" has the meaning given to it in the applicable Final Terms or if not so specified, 50 per cent;

"**Calculation Date**" means each day(s) specified in the applicable Final Terms, or if not so specified, each day which is an Exchange Business Day;

"**Clearance System**" means the applicable domestic clearance system customarily used for settling trades in the relevant ETI Interest;

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**Closing Price**" means, in respect of an ETI and a Scheduled Trading Day, the official closing price (or if Value per ETI Interest is specified as applicable in the applicable Final Terms, the Value per ETI Interest) in respect of the relevant ETI Interest in relation to such day as determined by the Calculation Agent, subject as provided in ETI Security Condition 3 (Potential Adjustment Events) or ETI Security Condition 4 (Extraordinary ETI Events);

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

"**Dividend Event**" means that with reference to the later of (i) the two financial years prior to the Trade Date, and (ii) the two financial years prior to the relevant observation date, the ETI has implemented a material change to its practice with respect to the payment of dividends;

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

"**ETI**" means (i) any exchange traded fund, (ii) the issuer of (A) an exchange traded note, (B) exchange traded commodity or (C) any other exchange traded product or (iii) any other exchange traded entity specified as an ETI in the applicable Final Terms;

"**ETI Basket**" means, where the ETI Securities are linked to the performance of ETI Interests of more than one ETI, a basket comprising such ETI Interests;

"**ETI Documents**" means with respect to any ETI Interest, the offering document of the relevant ETI in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such ETI Interests and, for the avoidance of doubt, any other documents or agreements in respect of the ETI, as may be further described in any ETI Document;

"**ETI Interest(s)**" means (i) in respect of an exchange traded fund, an ownership interest issued to or held by an investor in such ETI, (ii) in respect of an exchange traded note or an exchange traded commodity, a unit or note, as the case may be, issued by such ETI, or (iii) in respect of any other exchange traded product, any other interest specified as an ETI Interest in the applicable Final Terms;

"**ETI Interest Correction Period**" means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

"**ETI Related Party**" means, in respect of any ETI, any person who is appointed to provide services (howsoever described in any ETI Documents), directly or indirectly, in respect of such ETI, whether or not specified in the ETI Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms and in the case of an exchange traded note or exchange traded commodity, the calculation agent;

"**Exchange**" means in relation to an ETI Interest, each exchange or quotation system specified as such for the relevant ETI in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETI Interest on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exchange Business Day**" means either (i) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, Exchange Business Day (All ETI Interests Basis) or Exchange Business Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply;

"**Exchange Business Day (All ETI Interests Basis)**" means, in respect of an ETI Basket, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

"**Exchange Business Day (Per ETI Interest Basis)**" means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such ETI Interest are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

"**Exchange Business Day (Single ETI Interest Basis)**" means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange (if any) are open for trading

during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the ETI Interest on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETI Interest on any relevant Related Exchange;

**"Extraordinary ETI Event Effective Date"** means, in respect of an Extraordinary ETI Event, the date on which such Extraordinary ETI Event occurs, or has occurred, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

**"Final Calculation Date"** means the date specified as such in the applicable Final Terms;

**"Hedging Date"** has the meaning given to it in the applicable Final Terms;

**"Hedge Provider"** means the party (being, *inter alios*, the Issuer, the Guarantor, the Calculation Agent, an affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of ETI Interests, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of ETI Interests as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities;

**"Hedging Shares"** means the number of ETI Interests that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

**"Hypothetical Investor"** means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in an ETI Interest which is deemed to have the benefits and obligations, as provided in the relevant ETI Documents, of an investor holding an ETI Interest at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor, the Calculation Agent or any of their Affiliates (as determined by the Calculation Agent in the context of the relevant situation);

**"Implied Embedded Option Value"** means, an amount (which may never be less than zero) equal to the present value as of the Implied Embedded Option Value Determination Date, of any scheduled but unpaid payments under the Securities in respect of the period from (and including) the Extraordinary ETI Event Effective Date to (and including) the Maturity Date as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner but, notwithstanding anything to the contrary contained herein, taking into account, without limitation, such factors as the net proceeds actually received from the redemption or sale of any ETI Interests by the Hedge Provider, the volatility of the ETI Interests and any transaction costs;

**"Implied Embedded Option Value Determination Date"** means the date determined by the Calculation Agent to be the first date on which it is possible to determine the Implied Embedded Option Value following the occurrence of an Extraordinary ETI Event;

**"Initial Calculation Date"** means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date;

**"Intraday Price"** means, in respect of an ETI and any time on a Scheduled Trading Day, the published or quoted price (or if Value per ETI) Interest is specified as applicable in the applicable Final Terms, the Value

per ETI Interest) in respect of the relevant ETI Interest in relation to such time on such day as determined by the Calculation Agent, subject as provided in ETI Security Condition 3 (Potential Adjustment Events) or ETI Security Condition 4 (Extraordinary ETI Events);

**"Investment/AUM Level"** has the meaning given to it in the applicable Final Terms, or if not so specified, EUR 50,000,000 or the equivalent in any other currency;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any ETI Interest in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of an ETI Interest, the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Merger Event"** means, in respect of any relevant Interests and Entity, any:

- (i) reclassification or change of such ETI Interests that results in a transfer of or an irrevocable commitment to transfer all of such ETI Interests outstanding to another entity or person,
- (ii) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such ETI, is the continuing entity and which does not result in a reclassification or change of all of such ETI Interests outstanding),
- (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETI Interests of an ETI that results in a transfer of or an irrevocable commitment to transfer all such ETI Interests (other than such ETI Interests owned or controlled by such other entity or person), or
- (iv) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI or its subsidiaries with or into another entity in which the ETI is the continuing entity and which does not result in a reclassification or change of all such ETI Interests outstanding but results in the outstanding ETI Interests (other than ETI Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETI Interests immediately following such event,

in each case if the relevant Extraordinary ETI Event Effective Date is on or before (a) in the case of Cash Settled Securities, the last occurring Valuation Date or (b) in the case of Physical Delivery Securities, the Settlement Date. For the purposes of this definition only, **"Interests"** shall mean the applicable ETI Interests or the shares of any applicable ETI Related Party, as the context may require, and **"Entity"** shall mean the applicable ETI or any applicable ETI Related Party, as the context may require;

**"Non-Principal Protected Termination Amount"** means an amount per Security determined by the sum of:

- (i) the Implied Embedded Option Value on the Implied Embedded Option Value Determination Date; and
- (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

**"Number of Value Publication Days"** means the number of calendar days or Value Business Days specified in the applicable Final Terms, being the maximum number of days after the due date for publication or reporting of the Value per ETI Interest after which the ETI Related Party or any entity fulfilling such role,

howsoever described in the ETI Documents, or any other party acting on behalf of the ETI, may remedy any failure to publish or report the Value per ETI Interest before the Calculation Agent may determine that an Extraordinary ETI Event has occurred;

**"Principal Protected Termination Amount"** means an amount per Security determined as:

- (i) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms:
  - (A) the greater of:
    - (1) the Protected Amount; and
    - (2) the Implied Embedded Option Value; and
  - (B) the Simple Interest;
- (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is not specified as being applicable in the applicable Final Terms, the Implied Embedded Option Value;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Related Exchange"** means in relation to an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such ETI Interest on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such ETI Interest;

**"Scheduled Trading Day"** means either (i) in the case of a single ETI and in relation to an ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, Scheduled Trading Day (All ETI Interest Basis) or Scheduled Trading Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply;

**"Scheduled Trading Day (All ETI Interest Basis)"** means, in respect of an ETI Basket, any day on which the Exchange and Related Exchange(s) are scheduled to be open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s);

**"Scheduled Trading Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any day on which the relevant Exchange and the relevant Related Exchange in respect of such ETI Interest are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single ETI Interest Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

**"Settlement Cycle"** means in respect of an ETI Interest, the period of Clearance System Days following a trade in the ETI Interest on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"Settlement Price" means, unless otherwise stated in the applicable Final Terms and subject to the provisions of these ETI Security Conditions and as referred to in "Valuation Date" or "Averaging Date", as the case may be:

- (i) in the case of ETI Securities relating to an ETI Basket and in respect of each ETI Interest comprising the ETI Basket, an amount equal to:
  - (x) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on:
    - (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
    - (b) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such ETI Interest whose official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest or on such other factors as the Calculation Agent shall decide); or
  - (y) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest for such ETI Interest on:
    - (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
    - (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, in each case multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and
- (ii) in the case of ETI Securities relating to a single ETI Interest, an amount equal to:
  - (x) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on:
    - (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or

- (b) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the ETI Interest based, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest or on such other factors as the Calculation Agent shall decide); or
- (y) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest on:
  - (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
  - (b) if Averaging is specified on the applicable Final Terms, an Averaging Date, in each case, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

**"Simple Interest"** means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Termination Amount during the period from (and including) the Implied Embedded Option Value Determination Date to (and excluding) the later of (i) the Maturity Date or (ii) the date falling five Business Days after the Implied Embedded Option Value Determination Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. under which:

- (A) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (B) the "Termination Date" is the Termination Date;
- (C) the "Floating Rate Payer Payment Date" is the Termination Date;
- (D) the "Floating Rate Option" is EUR-EONIA-Swap Index (if the Settlement Currency is EUR) or USD-Federal Funds-H.15 (if the Settlement Currency is USD);
- (E) the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;
- (F) the "Floating Rate Day Count Fraction" is Actual/360;
- (G) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (H) "Compounding" is "Inapplicable";

**"Specified Maximum Days of Disruption"** means eight (8) Scheduled Trading Days, or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares, units or interests of the ETI or an ETI Related Party, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

**"Termination Amount"** means the amount specified in the applicable Final Terms or if not so specified, (i) the Principal Protected Termination Amount or (ii) the Non-Principal Protected Termination Amount as specified in the applicable Final Terms;

**"Termination Date"** means (i) the date determined by the Issuer and specified in the notice given to Holders in accordance with ETI Security Condition 6.2(c); or (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Maturity Date;

**"Trade Date"** has the meaning given to it in the applicable Final Terms;

**"Trading Disruption"** means in relation to an ETI Interest, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (i) relating to the ETI Interest or any underlying asset of the ETI on the Exchange; or (ii) in futures or options contracts relating to the ETI Interest or any underlying asset of the ETI on any relevant Related Exchange;

**"Value Business Day"** means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Value Business Day Centre(s) specified in the applicable Final Terms;

**"Valuation Time"** means in the case of an ETI and in relation to an ETI Interest either (i) the close of trading on the Exchange or (ii) as otherwise specified in the applicable Final Terms;

**"Value per ETI Interest"** means, with respect to the relevant ETI Interest(s) and the Scheduled Trading Day relating to such ETI Interests, (i) if the relevant ETI Documents refer to an official net asset value per ETI Interest (howsoever described), such official net asset value per ETI Interest, otherwise (ii) the official closing price or value per ETI Interest, as of the relevant calculation date, as reported on such Scheduled Trading Day by the ETI or an ETI Related Party, the relevant Exchange or publishing service (which may include the website of an ETI), all as determined by the Calculation Agent;

**"Value per ETI Interest Trading Price Barrier"** means the percentage specified in the applicable Final Terms, or if not so specified, 5 per cent.;

**"Value per ETI Interest Trading Price Differential"** means the percentage by which the Value per ETI Interest differs from the actual trading price of the ETI Interest as of the time the Value per ETI Interest is calculated;

**"Value per ETI Interest Trigger Event"** means, in respect of any ETI Interest(s), that (i) the Value per ETI Interest has decreased by an amount equal to, or greater than, the Value Trigger Percentage(s) at any time during the related Value Trigger Period, or (ii) the ETI has violated any leverage restriction that is applicable to, or affecting, such ETI or its assets by operation of any law, (x) any order or judgement of any court or other agency of government applicable to it or any of its assets, (y) the ETI Documents or (z) any other contractual restriction binding on or affecting the ETI or any of its assets;

**"Value Trigger Percentage"** means the percentage specified in the applicable Final Terms or, if not so specified, 50 per cent.;

**"Value Trigger Period"** means the period specified in the applicable Final Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date.

2. **Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single ETI Interest or an ETI Basket, in respect of an ETI Interest the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 17 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date or a Valuation Date or on any Knock-in Determination Day or Knock-out Determination Day, as the case may be.

3. **Potential Adjustment Events**

**"Potential Adjustment Event"** means any of the following:

- (a) an extraordinary dividend as determined by the Calculation Agent;
- (b) a repurchase or exercise of any call option by any ETI of relevant ETI Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (c) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETI Interests.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant ETI or ETI Related Party, as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Following the declaration by the relevant ETI or ETI Related Party, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interest traded on that options exchange.

Upon the making of any such adjustment, the Calculation Agent shall give notice as soon as reasonably practicable to the Holders in accordance with Condition 17 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

#### 4. **Extraordinary ETI Events**

Subject to the provisions of ETI Security Condition 5 (Determination of Extraordinary ETI Events), "**Extraordinary ETI Event**" means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

##### **Global Events:**

- 4.1 the ETI or any ETI Related Party (i) ceases trading and/or, in the case of an ETI Related Party, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable), (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv) (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or
- 4.2 the occurrence of a Merger Event or Tender Offer;

##### **Litigation/Fraudulent Activity Events:**

- 4.3 there exists any litigation against the ETI or an ETI Related Party which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, could materially affect the value of the ETI Interests or on the rights or remedies of any investor therein; or
- 4.4 (i) an allegation of criminal or fraudulent activity is made in respect of the ETI, or any ETI Related Party, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETI, any ETI Related Party or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, materially affect the value of the ETI Interests or the rights or remedies of any investor in such ETI Interests;

**Change in ETI Related Parties/Key Persons Events:**

- 4.5 (i) an ETI Related Party ceases to act in such capacity in relation to the ETI (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent; and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the ETI and/or any ETI Related Party to meet or maintain any obligation or undertaking under the ETI Documents which failure is reasonably likely to have an adverse impact on the value of the ETI Interests or on the rights or remedies of any investor therein;

**Modification Events:**

- 4.6 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETI (howsoever described, including the underlying type of assets in which the ETI invests), from those set out in the ETI Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 4.7 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the ETI invests, (ii) the ETI purports to track, or (iii) the ETI accepts/provides for purposes of creation/redemption baskets;
- 4.8 a material modification, or any announcement regarding a potential future material modification, of the ETI (including but not limited to a material modification of the ETI Documents or to the ETI's liquidity terms) other than a modification or event which does not affect the ETI Interests or the or any portfolio of assets to which the ETI Interest relates (either alone or in common with other ETI Interests issued by the ETI);
- 4.9 the currency denomination of the ETI Interest is amended from that set out in the ETI Documents so that the Value per ETI Interest is no longer calculated in the same currency as it was as at the Trade Date; or
- 4.10 if applicable, the ETI ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

**Net Asset Value/Investment/AUM Level Events:**

- 4.11 a material modification of the method of calculating the Value per ETI Interest;
- 4.12 any change in the periodicity of the calculation or the publication of the Value per ETI Interest;
- 4.13 any of the ETI, any ETI Related Parties or any other party acting on behalf of the ETI fails for any reason to calculate and publish the Value per ETI Interest within the Number of Value Publication Days following any date scheduled for the determination of the valuation of the ETI Interests unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 4.14 the assets under management of, or total investment in, the ETI falls below the Investment/AUM Level;
- 4.15 a Value per ETI Interest Trigger Event occurs;

- 4.16 failure by the ETI or any ETI Related Party to publish (i) the Value per ETI Interest at the end of each Scheduled Trading Day as a result of any action or inaction by the ETI or any ETI Related Party, or (ii) where the relevant ETI Documents provide for the publication of an indicative Value per ETI Interest, such indicative Value per ETI Interest is published no less frequently than once every five (5) minutes during regular trading hours on the Exchange on each Scheduled Trading Day; or
- 4.17 (i) the Value per ETI Interest Trading Price Differential breaches the Value per ETI Interest Trading Price Barrier, and (ii) such breach has an adverse impact on any hedging activities in relation to the Securities;

**Tax/Law/Accounting/Regulatory Events:**

- 4.18 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a "**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or
- 4.19 (i) any relevant activities of or in relation to the ETI or the ETI Related Parties are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETI by any governmental, legal or regulatory entity with authority over the ETI), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETI or the ETI Related Parties or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the ETI is required by a competent authority to redeem any ETI Interests, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETI Interests held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the ETI or any ETI Related Party that is reasonably likely to have an adverse impact on the value of the ETI Interests or other activities or undertakings of the ETI or on the rights or remedies of any investor therein, including any Hedge Provider;

**Hedging/Impracticality/Increased Costs Events:**

- 4.20 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount or cost of regulatory capital that would have to be maintained in respect of any holding of ETI Interests or that would subject a holder of the ETI Interests or the Hedge Provider to any loss),

purchase or sell the relevant ETI Interests or any underlying assets of or related to the ETI or for the Hedge Provider to maintain its hedging arrangements and, (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;

- 4.21 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees (or the combined effect thereof if occurring more than once)) would be materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;
- 4.22 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset or any futures or option contracts on the relevant Exchange it deems necessary to hedge the equity, commodity or other underlying ETI Interest asset price risk or any other relevant price risk, including but not limited to the Issuer's obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction, asset, or futures or option contract or any relevant hedge positions relating to an ETI Interest of the ETI;
- 4.23 at any time on or after the Trade Date, the Issuer and/or any of its Affiliates would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities;

**Miscellaneous Events:**

- 4.24 in the case of Securities linked to an ETI Basket, a Basket Trigger Event occurs;
- 4.25 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party or any parent company (howsoever described) of the ETI, by Moody's Investors Service Inc., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's);
- 4.26 the occurrence of a Loss of Stock Borrow;
- 4.27 the occurrence of an Additional Extraordinary ETI Event;
- 4.28 if the relevant ETI Documents provide for the payment of dividends, the occurrence of a Dividend Event;
- 4.29 the relevant Exchange announces that pursuant to the rules of such Exchange, the relevant ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or otherwise (ii) a comparable exchange or

quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

## 5. **Determination of Extraordinary ETI Events**

The Calculation Agent will determine if an Extraordinary ETI Event has occurred acting in good faith and in a commercially reasonable manner. Where the occurrence of an event or set of circumstances is capable of triggering more than one Extraordinary ETI Event or both an Extraordinary ETI Event and a Market Disruption Event, the Issuer may determine which Extraordinary ETI Event is to be triggered or whether such event or set of circumstances shall be an Extraordinary ETI Event or Market Disruption Event.

In considering whether the occurrence of an event or set of circumstances triggers an Extraordinary ETI Event, the Calculation Agent may have regard to the combined effect, from the Trade Date, of any event or set of circumstances, as the case may be, if such event or set of circumstances occurs more than once.

## 6. **Consequences of an Extraordinary ETI Event**

- 6.1 If the Calculation Agent determines that an Extraordinary ETI Event has occurred, the Calculation Agent shall give notice (an "**Extraordinary ETI Event Notice**") to the Holders in accordance with Condition 17 (which notice shall be irrevocable), of the occurrence of such Extraordinary ETI Event (the date on which an Extraordinary ETI Event Notice is given, an "**Extraordinary ETI Event Notification Date**") as soon as reasonably practicable following the determination of an Extraordinary ETI Event. The Extraordinary ETI Event Notice shall set out, if determined at that time, the action that it has determined to take in respect of the Extraordinary ETI Event pursuant to ETI Security Condition 6.2 below. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary ETI Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Holders in accordance with Condition 17 as soon as reasonably practicable after the Extraordinary ETI Event Notification Date.

Neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder or any other person in connection with the Securities as a result of any delay in notifying Holders of the occurrence on Extraordinary Fund Event, howsoever arising. If the Calculation Agent gives an Extraordinary ETI Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Issuer has determined the action to take pursuant to ETI Security Condition 6.2 below.

- 6.2 Following the occurrence of an Extraordinary ETI Event, the Issuer may take the action described below in (a), (b) or (c).

### (a) Adjustment

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Adjustment**", then it may:

- (i) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary ETI Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities and a change in the Weighting of any remaining ETI Interest(s) not affected by an Extraordinary ETI Event. The Calculation Agent may (but need not) determine the appropriate

adjustment by reference to the adjustment in respect of the relevant Extraordinary ETI Event made by any options exchange to options on the ETI Interests traded on that options exchange; or

- (ii) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary ETI Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(b) Substitution

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Substitution**", the Calculation Agent shall on or after the relevant Extraordinary ETI Event Effective Date, substitute each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary ETI Event with an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") and the Substitute ETI Interest will be deemed to be an "**ETI Interest**" and the relevant issuer of such Substitute ETI Interest, an "**ETI**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute ETI Interest will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

where:

"**A**" is the Settlement Price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"**B**" is the Initial Price of the relevant Affected ETI Interest; and

"**C**" is the Settlement Price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the ETI Basket will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary ETI Event Effective Date.

The Weighting of each Substitute ETI Interest will be equal to the Weighting of the relevant Affected ETI Interest.

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner:

- (i) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer (a) in the case of ETI Securities related to a single ETI, and (b) in the case of ETI Securities related to an ETI Basket, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (i) the relevant share/unit/interest is not already included in the ETI Basket and (ii) it is or as of the relevant Extraordinary ETI Event Effective Date is promptly scheduled to be, (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) (a) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph (i) above, but such share/unit/interest is (in the case of an ETI Security related to an ETI Basket), already included in the ETI Basket, or (b) where the Extraordinary ETI Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to, a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region), investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent;

(c) Termination

If the Issuer, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Termination**", on giving notice to Holders in accordance with Condition 17 (which such notice may be included in the Extraordinary ETI Event Notice in respect of the relevant Extraordinary ETI Event and will specify the Termination Date), all but not some only of the outstanding ETI Securities shall be redeemed by payment of the Termination Amount on the Termination Date. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17.

(d) General

In determining to take a particular action as a result of an Extraordinary ETI Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary ETI Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

7. **Correction of ETI Interest Price**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment or delivery under the Securities, if the price of the relevant ETI Interest published

on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant price source within the number of days equal to the ETI Interest Correction Period of the original publication, the price to be used shall be the price of the relevant ETI Interest as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment or delivery under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

8. **Calculations and Determinations**

The Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Security Conditions in such a manner as the Calculation Agent and/or the Issuer, as the case may be, determines to be appropriate acting in good faith and in a commercially reasonable manner having regard in each case to the criteria stipulated in the ETI Security Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

## ANNEX 5

### ADDITIONAL TERMS AND CONDITIONS FOR DEBT SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Debt Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Debt Securities set out below (the "**Debt 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 Conditions and (ii) the Debt Security Conditions, the Debt Security Conditions shall prevail. References in the Debt Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. Settlement Price

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security and subject as referred to in "Averaging Date" or "Valuation Date":

- (a) in the case of Debt Securities relating to a basket of Debt Instruments, an amount equal to the sum of the values calculated for each Debt Instrument as (x) the Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by or on behalf of the Calculation Agent on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Instrument, such prices to be expressed as a percentage of the nominal amount of such Debt Instrument (y) multiplied by the product of the nominal amount of such Debt Instrument and the relevant Weighting; and
- (b) in the case of Debt Securities relating to a single Debt Instrument, an amount equal to (x) the Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by or on behalf of the Calculation Agent on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Instrument, such prices to be expressed as a percentage of the nominal amount of the Debt Instrument (y) multiplied by the nominal amount of such Debt Instrument.

#### 2. Exchange Business Day

"**Exchange Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Exchange Business Day Centre(s) specified in the applicable Final Terms.

#### 3. Market Disruption

"**Market Disruption Event**" shall mean, in respect of a Debt Instrument, the suspension of or limitation imposed on trading either on any exchange on which such Debt Instrument is traded or on any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded if, in the determination of the Calculation Agent, such suspension or limitation is material.

The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 17 that a Market Disruption Event has occurred.

#### 4. **Correction of Debt Instrument Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the price of the relevant Debt Instrument published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant exchange within the number of days equal to the Debt Instrument Correction Period of the original publication, the price to be used shall be the price of the relevant Debt Instrument as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

#### 5. **Redemption or Cancellation of a Debt Instrument**

Notwithstanding Condition 9, if on or prior to the last Averaging Date or the last Valuation Date, any Debt Instrument is redeemed (including any early redemption) or cancelled by the relevant Debt Instrument Issuer (a "**Debt Instrument Redemption Event**"), then:

- (a) unless Delayed Redemption on Occurrence of Debt Instrument Redemption Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Debt Instrument Redemption Event, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
- (b) if Delayed Redemption on Occurrence of Debt Instrument Redemption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Debt Instrument Redemption Event less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Debt Instrument Redemption Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, at the Protected Amount (specified in the applicable Final Terms).

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Debt Security Condition 5 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

#### 6. **Futures Price Valuation**

If "Futures Price Valuation" is specified as applicable in the applicable Final Terms the following provisions shall apply to these Debt Security Conditions:

**"Settlement Price"** means an amount equal to the Daily Settlement Price of the relevant Current Exchange-traded Contract as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies, "Scheduled Trading Day" will be deemed to mean a day on which the Daily Settlement Price of the relevant Current Exchange-traded Contract is scheduled to be published by the relevant Futures or Options Exchange.

If Futures Price Valuation applies the Disrupted Day provisions in the Conditions and/or these Debt Security Conditions will not apply in relation to any Current Exchange-traded Contract.

For these purposes:

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Debt Security Condition 7 (Rolling Futures Contract Securities) below.

**"Daily Settlement Price"** means the daily settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

**"Exchange-traded Contract"** means the futures or options contract(s) specified as such in the applicable Final Terms, in each case, identified by reference to (a) the Synthetic Debt Instrument to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means the relevant exchange specified in the description of the Exchange-traded Contract in the applicable Final Terms or any successor to such exchange.

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent acting in good faith and a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Non-Commencement or Discontinuance of an Exchange-traded Contract"** means there is no Daily Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to the Valuation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Current Exchange-traded Contract.

Debt Security Condition 3 (Market Disruption), Debt Security Condition 4 (Correction of Debt Instrument Price) and Debt Security Condition 5 (Redemption or Cancellation of a Debt Instrument) will not apply if Futures Price Valuation applies.

If Futures Price Valuation applies, references in the Conditions and Payout Conditions to a "Debt Instrument" or "Debt Instruments" are deemed to be references to a Current Exchange-traded Contract or "Current Exchange-traded Contracts", as applicable.

## 7. **Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Synthetic Debt Instrument that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of Debt Security Condition 8 (Adjustments to an Exchange-traded Contract) or Debt Security Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) unless Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
- (b) if Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, at the Protected Amount (specified in the applicable Final Terms).

## 8. **Adjustments to an Exchange-traded Contract**

In the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

## 9. Non-Commencement or Discontinuance of an Exchange-traded Contract

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Issuer may take the action described in (a) below or require the Calculation Agent to take the action described in (b):

- (a)
  - (i) unless Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
  - (ii) if Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, at the Protected Amount (as specified in the applicable Final Terms); or
- (b)
  - (i) replace the relevant Exchange-traded Contract affected by the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Affected Exchange-traded Contract**") with a substitute Exchange-traded Contract (the "**Substitute Exchange-traded Contract**"), as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, has similar contract specifications to those of the Affected Exchange-traded Contract and (ii) make such adjustments to adjust such terms of the Securities as it determines acting in good faith and in a commercially reasonable manner to be appropriate to preserve the economic position of the Holders prior to such replacement. Such replacement will be deemed to be effective as of the date selected by the Calculation Agent, acting in good faith and in a commercially reasonable manner, and specified in the notice referred to below. The Substitute Exchange-traded Contract will be deemed to be an "**Exchange-traded Contract**" for the purposes of the Securities.

Notwithstanding the foregoing, in the case of Italian Listed Notes the Calculation Agent will adjust any relevant terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Debt Security Condition 9 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

**10. Correction of the Daily Settlement Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Daily Settlement Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, within the number of days equal to the Daily Settlement Price Correction Period of the original publication, the Daily Settlement Price to be used shall be the Daily Settlement Price as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

**11. Definitions**

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant securities or contracts.

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions.

**"Daily Settlement Price Correction Period"** means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

**"Debt Instrument Correction Period"** means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

**"Debt Instrument Issuer"** means, in respect of a Debt Instrument, the issuer of such Debt Instrument.

**"Disrupted Day"** means any Scheduled Trading Day on which a Market Disruption Event has occurred.

**"Reference Price"** means, in respect of a Debt Instrument, the bid price, mid price, offer price, bid yield, mid yield or offer yield specified as such for such Debt Instrument in the applicable Final Terms.

**"Protected Amount"** means the amount specified as such in the applicable Final Terms.

**"Scheduled Trading Day"** means an Exchange Business Day.

**"Settlement Cycle"** means, in respect of a Debt Security or Exchange-traded Contract, the period of Clearance System Days following a trade in such security or contract, as the case may be, on the relevant exchange in which settlement will customarily occur according to the rules of such exchange.

## ANNEX 6

### ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Commodity Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Commodity Securities set out below (the "**Commodity 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 Conditions and (ii) the Commodity Security Conditions, the Commodity Security Conditions shall prevail. References in the Commodity Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. Definitions

"**Basket Component**" means any Commodity or Commodity Index comprised in a Basket of Commodities;

"**Basket of Commodities**" means a basket comprising two or more Commodities and/or Commodity Indices;

"**Commodity**" means, subject to adjustment in accordance with this Annex, the commodity (or commodities) or futures contract on a commodity (or commodities) specified in the applicable Final Terms, and related expressions shall be construed accordingly and for the avoidance of doubt, each of climatic variables, freight rates and emissions allowances may be a Commodity for the purposes of this Annex and the applicable Final Terms;

"**Commodity Business Day**" means:

- (a) in respect of a Commodity or a Commodity Index:
  - (i) where the Commodity Reference Price for the relevant Commodity or Commodity Index is announced or published by an Exchange, any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which each relevant Exchange is open for trading during its regular trading sessions and notwithstanding any such Exchange closing prior to its scheduled closing time; or
  - (ii) a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price for the relevant Commodity or Commodity Index; or
- (b) in the case of a Basket of Commodities, a day on which the Commodity Reference Price in respect of all of the Basket Components is scheduled to be published or announced in accordance with (i) and (ii) above;

"**Commodity Disrupted Day**" means any day on which a Market Disruption Event has occurred;

"**Commodity Fallback Value**" means:

- (i) in respect of any Commodity, the arithmetic mean of the quotations provided to the Calculation Agent by each of the Reference Dealers as its Commodity Reference Price for the relevant Pricing Date of the relevant Commodity, provided that if only three such quotations are so provided, the Commodity Fallback Value shall be the Commodity Reference Price remaining after disregarding the Commodity Reference Prices having the highest and lowest values (or if more than one such highest or lowest, one only of them). If fewer than three such quotations are so provided, it will be deemed that such

value cannot be determined and the relevant value shall be the good faith estimate of the Calculation Agent; or

- (ii) in respect of any Commodity Index or Basket of Commodities, the price for such Commodity Index or Basket of Commodities, as the case may be, in respect of the relevant Pricing Date determined by the Calculation Agent using the current applicable method of calculating such Commodity Index or the method for determining the value of the Basket of Commodities, as the case may be, as set out in the applicable Final Terms using the price or level for each Index Component or Basket Component, as the case may be, determined as follows:
  - (a) in respect of each Index Component or Basket Component, as the case may be, which is not affected by the Market Disruption Event, the closing price or level or settlement price, as applicable, of such Index Component or Basket Component, as the case may be, on such Pricing Date; and
  - (b) in respect of each Index Component or Basket Component, as the case may be, which is affected by the Market Disruption Event (each an "**Affected Item**"), the closing price or level or settlement price, as applicable, for such Affected Item on the first succeeding Pricing Date that is not a Commodity Disrupted Day, unless each of the number of consecutive Pricing Dates equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date is a Commodity Disrupted Day. In that case, (i) the last such consecutive Pricing Date shall be deemed to be the Pricing Date for the Affected Item, notwithstanding the fact that such day is a Commodity Disrupted Day, and (ii) the Calculation Agent shall determine the price or level of such Affected Item based upon the price at which the Issuer is able to sell or otherwise realise any hedge positions in respect of the Securities during the period of five Commodity Business Days following the last such consecutive Pricing Date;

"**Commodity Index**" means each index specified as such in the applicable Final Terms or an index comprising one or more commodities, contracts for the future delivery of a commodity, indices linked to a single commodity or indices comprised of multiple commodities (each an "**Index Component**");

"**Commodity Reference Price**" means, in respect of any Commodity or any Commodity Index, the Commodity Reference Price specified in the applicable Final Terms;

"**Delivery Date**" means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (a) if the Securities are not Rolling Futures Contract Securities:
  - (i) if a date is, or a month and year are, specified in the applicable Final Terms, that date or that month and year;
  - (ii) if a Nearby Month is specified in the applicable Final Terms, the month of expiration of the relevant Futures Contract; and
  - (iii) if a method is specified in the applicable Final Terms for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method;
- (b) if the Securities are Rolling Futures Contract Securities, the delivery date for a futures contract selected by the Calculation Agent acting in good faith and in a commercially reasonable manner on the Futures Rollover Date or if none the Issue Date.

**"Disappearance of Commodity Reference Price"** means (a) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange or (b) the disappearance of, or of trading in, the relevant Commodity or Index Component or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract, Commodity or Index Component;

**"Disruption Fallback"** means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source). A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified, the Calculation Agent shall determine the relevant actions in accordance with Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks).

**"Exchange"** means, in respect of a Commodity, the exchange or principal trading market for such Commodity specified in the applicable Final Terms or in the Commodity Reference Price and in the case of a Commodity Index, the exchange or principal trading market for each Index Component comprising such Commodity Index;

**"Final Pricing Date"** or **"Final Interest Pricing Date"** means the date specified as such in the applicable Final Terms. References in these Conditions to "Final Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Final Interest Pricing Date";

**"Futures Contract"** means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Commodity Reference Price;

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Index Component Disruption Event"** means:

- (a) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published on any date between the Issue Date and such Pricing Date that is not a price published by the usual exchange or price source, but is a price determined by the Price Source; or
- (b) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published by the usual exchange or price source on any date between the Issue Date and such Pricing Date that, in the opinion of the Calculation Agent, has been calculated or published subject to the occurrence of market disruption or similar, or otherwise not in accordance with the usual, then-current, method used by such exchange or price source;

**"Initial Pricing Date"** or **"Initial Interest Pricing Date"** means the date specified as such in the applicable Final Terms. References in these Conditions to "Initial Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Initial Interest Pricing Date";

**"Intraday Price"** means, in respect of a Commodity, Commodity Index or Index Component and any time on a Pricing Date, the Relevant Price of such Commodity, Commodity Index or Index Component at such time on such day, as determined by the Calculation Agent, subject as provided in Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and if applicable Commodity Condition 4 (Adjustments to a Commodity Index);

**"Limit Price Event"** means that the settlement price of any Commodity or Index Component has increased or decreased from the previous day's published settlement price by an amount equal to the maximum amount permitted under the applicable exchange rules for such Commodity or Index Component.

**"Material Change in Content"** means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or Futures Contract or, in the case of a Commodity Index, Index Component;

**"Material Change in Formula"** means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price or any Index Component used to calculate the Commodity Reference Price;

**"Nearby Month"**, when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (a) "First Nearby Month" means the month of expiration of the first Futures Contract to expire following that Pricing Date; (b) "Second Nearby Month" means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (c) "Sixth Nearby Month" means the month of expiration of the sixth Futures Contract to expire following that Pricing Date;

**"Price Source"** means the publication (or such other origin of reference, including an Exchange or Index Sponsor or Index Calculation Agent) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the relevant Commodity Reference Price;

**"Price Source Disruption"** means (a) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, or (b) the temporary or permanent discontinuance or unavailability of the Price Source;

**"Pricing Date"** or **"Interest Pricing Date"** means each date specified in the Final Terms as being the Initial Pricing Date, an Averaging Date, an Observation Date, an Automatic Early Redemption Valuation Date or the Final Pricing Date or if any such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day, unless, in the opinion of the Calculation Agent, such day is a Commodity Disrupted Day, in which case, the relevant Pricing Date or Interest Pricing Date, as applicable, shall be the first succeeding Commodity Business Day that is not a Commodity Disrupted Day, unless each of the number of consecutive Commodity Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date or Scheduled Interest Pricing Date, as the case may be, is a Commodity Disrupted Day. In that case, (A) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date or Interest Pricing Date, as the case may be, notwithstanding the fact that such day is a Commodity Disrupted Day, and (B) the Calculation Agent shall take action in accordance with the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks). References in these Conditions to "Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Interest Pricing Date";

**"Reference Dealers"** means four leading dealers in the relevant Commodities market selected by the Calculation Agent;

**"Relevant Price"** means, for any Pricing Date, the price, expressed as a price per unit of the Commodity, the price of the Commodity Index or any Index Component, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Commodity Security Conditions and the applicable Final Terms;

**"Scheduled Pricing Date"** or "Scheduled Interest Pricing Date" means any original date that, but for the occurrence of an event causing a Market Disruption Event, would have been a Pricing Date. References in these Conditions to "Scheduled Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Scheduled Interest Pricing Date";

**"Scheduled Trading Day"** means, if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, for the purpose of determining whether a day is a Hybrid Business Day, a Commodity Business Day;

**"Settlement Price"** means, in respect of a single Commodity, the Relevant Price, or, in the case of a Basket of Commodities, the sum of the values calculated in respect of each Basket Component as the Relevant Price of such Basket Component multiplied by the relevant Weighting;

**"Specified Maximum Days of Disruption"** means five (5) Commodity Business Days or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

**"Specified Price"** means, in respect of a Commodity Reference Price for a Commodity Index, (A) the closing or (B) daily official level of such Commodity Index and in respect of any other Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (a) the high price; (b) the low price; (c) the average of the high price and the low price; (d) the closing price; (e) the opening price; (f) the bid price; (g) the asked price; (h) the average of the bid price and the asked price; (i) the settlement price; (j) the official settlement price; (k) the official price; (l) the morning fixing; (m) the afternoon fixing; (n) the spot price; (o) the arithmetic average of bid and offer prices at 5.30pm (CET time) on the Pricing Date;

**"Tax Disruption"** means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity, or in the case of a Commodity Index or any Index Component (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and

**"Trading Disruption"** means the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or the Commodity or, in the case of a Commodity Index, Index Component on the Exchange or in any additional futures contract, options contract, commodity index or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

- (a) a suspension of the trading in the Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if:
  - (i) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended for the entire Pricing Date; or
  - (ii) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended subsequent to the opening of trading on the Pricing Date, trading does not

recommence prior to the regularly scheduled close of trading in such Futures Contract, Commodity or Index Component, as the case may be, on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

- (b) a limitation of trading in the relevant Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract, Commodity or Index Component, as the case may be, may fluctuate and the closing or settlement price of the relevant Futures Contract, Commodity or Index Component, as the case may be, on such day is at the upper or lower limit of that range.

## 2. **Market Disruption**

**"Market Disruption Event"** means, in respect of a relevant Commodity or Commodity Index and as determined by the Calculation Agent, the occurrence or existence of:

- (a) in the case of all Commodities and each Commodity Index, a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price, Limit Price Event; and in addition
- (b) in the case of each Commodity Index and all Commodities other than Gold, Silver, Platinum or Palladium, Material Change in Formula, Material Change in Content and/or Tax Disruption; and in addition
- (c) in the case of a Commodity Index, an Index Component Disruption Event.

The Calculation Agent shall give notice as soon as practicable to Holders, in accordance with Condition 17 of the occurrence of a Market Disruption Event and the action proposed to be taken in relation thereto.

## 3. **Consequences of a Market Disruption Event and Disruption Fallbacks**

Upon a Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent may, acting in good faith and in a commercially reasonable manner, take the action described in (a), (b) or (c) below:

- (a) the Calculation Agent shall determine if such event has a material effect on the Securities and, if so shall calculate the relevant Interest Amount and/or make any other relevant calculation using, in lieu of a published price or level for that Commodity or Commodity Index, as the case may be, the price or level for that Commodity or Commodity Index as determined by the Calculation Agent using the Commodity Fallback Value; or
- (b) the Calculation Agent may substitute the relevant Commodity, Commodity Reference Price or Index Component with a Commodity, Commodity Reference Price or Index Component, as the case may be, selected by it in accordance with the criteria set out below (each, a **"Substitute Commodity"**, **"Substitute Commodity Reference Price"** or a **"Substitute Index Component"**) for each Commodity, Commodity Reference Price or Index Component, as the case may be, (each, an **"Affected Commodity"**, **"Affected Commodity Reference Price"** or **"Affected Index Component"**, as the case may be), which is affected by the Market Disruption Event and the Substitute Commodity, Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be deemed to be a **"Commodity"**, **"Commodity Reference Price"** or an **"Index Component"**, as the case may be, for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the

Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the initial price of the Commodity, the Commodity Reference Price or the Index Component, as the case may be, the initial price or level of each Substitute Commodity, Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

In order to be selected as a Substitute Commodity, the Substitute Commodity shall be valued on the basis of a futures contract on similar terms to, with a delivery date corresponding with and relating to the same Commodity as the Affected Commodity.

In order to be selected as a Substitute Commodity Reference Price, the Substitute Commodity Reference Price shall be a benchmark, price or quotation selected by the Calculation Agent, acting in good faith and a commercially reasonable manner and which in its determination is or will be used by market participants as a substitute for the Affected Commodity Reference Price.

In order to be selected as a Substitute Index Component, the Substitute Index Component shall be an alternative futures contract or commodity index relating to a futures contract on similar terms to the Affected Index Component.

Such substitution and the relevant adjustment(s) will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner which may, but need not, be the relevant date of the Market Disruption Event. Such substitution will be notified to the Holders as soon as practicable after the Substitution Date in accordance with Condition 17; or

- (c) the Issuer shall redeem all but not some only of the Securities, each Security being redeemed by payment of an amount equal to the fair market value of such Security, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payment shall be made in such manner as shall be notified to the Holders in accordance with Condition 17.

#### **4. Adjustments to a Commodity Index**

- (a) Successor Index Sponsor Calculates and Reports a Commodity Index

If a relevant Commodity Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor commodity index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then in each case that commodity index (the "**Successor Commodity Index**") will be deemed to be the Commodity Index.

- (b) Modification and Cessation of Calculation of a Commodity Index

If (a) on or prior to the last Averaging Date, the last Observation Date, the Final Interest Pricing Date or the Final Pricing Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent contracts or commodities and other routine events) (a "**Commodity Index Modification**"), or permanently cancels a relevant Commodity Index and no Successor

Commodity Index exists (a "**Commodity Index Cancellation**"), or (b) on any Averaging Date, Observation Date, Interest Pricing Date or other Pricing Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Commodity Index (a "**Commodity Index Disruption**" and, together with a Commodity Index Modification and a Commodity Index Cancellation, each a "**Commodity Index Adjustment Event**"), then:

- (i) the Calculation Agent shall determine if such Commodity Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the Relevant Price using, in lieu of a published level for that Commodity Index, the Commodity Fallback Value; or
- (ii) the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being cancelled or redeemed at an amount equal to the fair market value of a Security, taking into account the Commodity Index Adjustment Event, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17.

Notwithstanding the foregoing, in the case of Italian Listed Notes the Calculation Agent will adjust any relevant terms of the Notes as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

#### **5. Correction of Commodity Reference Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Commodity Reference Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction published by the relevant Exchange or any other person responsible for the publication or announcement of the Commodity Reference Price within 30 calendar days of the original publication, the price to be used shall be the price of the relevant Commodity as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

#### **6. Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Commodity Reference Price in respect of the Securities will be valued by reference to rolling futures contracts each of which have delivery months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select the relevant Futures Contract and for each following day until the Futures Rollover Date such futures contract will be the Futures Contract for the purposes of the Commodity Reference Price. On each Futures Rollover Date, the Calculation Agent will select another Futures Contract and such contract shall be the Futures Contract for the purposes of the Commodity Reference Price until the next occurring Futures Rollover Date. If on a Futures Rollover Date a Market Disruption Event or a Commodity Index Adjustment Event occurs and it is impossible or materially impracticable for the Calculation Agent to select a Futures Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Security Condition 4 (Adjustments to a Commodity Index), as applicable, shall apply to the Securities.

## ANNEX 7

### ADDITIONAL TERMS AND CONDITIONS FOR INFLATION INDEX SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Inflation Index Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Inflation Index Securities set out below (the "**Inflation Index 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 Conditions and (ii) the Inflation Index Security Conditions, the Inflation Index Security Conditions shall prevail. References in the Inflation Index Securities Conditions to "Security" or "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. Definitions

"**Cut-Off Date**" means, in respect of a Valuation Date, five Business Days prior to such Valuation Date;

"**Delayed Index Level Event**" means, in respect of any Valuation Date, that the Index Sponsor fails to publish or announce the Relevant Level;

"**Fallback Bond**" means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to the Inflation Index, with a maturity date which falls on (a) the same day as the Maturity Date, (b) the next longest maturity after the Maturity Date if there is no such bond maturing on the Maturity Date or (c) the next shortest maturity before the Maturity Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged);

"**Index Cancellation**" means a level for the Inflation Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Inflation Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index and no Successor Index exists;

"**Index Modification**" means, in relation to an Inflation Index, the Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating the Inflation Index or in any other way materially modifies the Inflation Index;

"**Index Sponsor**" means the entity that publishes or announces (directly or through an agent) the level of the Inflation Index which as of the Issue Date of the Securities is the index sponsor set out in the applicable Final Terms;

"**Inflation Index**" or "**Inflation Indices**" means the index or indices specified in the relevant Final Terms and related expressions shall be construed accordingly;

"**Rebased Index**" has the meaning given to it under Inflation Index Security Condition 4 (Adjustments) below;

**"Reference Month"** means the calendar month for which the level of the Inflation Index was reported, regardless of when this information is published or announced. If the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Reference Level was reported;

**"Related Bond"** means the bond specified as such in the relevant Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms and that bond redeems or matures before the relevant Maturity Date unless "Fallback Bond: Not applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination;

**"Related Bond Redemption Event"** means, if specified as applicable in the relevant Final Terms, at any time prior to the Maturity Date (a) the Related Bond is settled, repurchased or cancelled, (b) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (c) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity;

**"Relevant Level"** means, in respect of any Valuation Date, the level of the Inflation Index, in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Maturity Date at any time on or prior to the Cut-Off Date;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, the Relevant Level;

**"Strike Date"** means the date specified as such in the applicable Final Terms;

**"Successor Inflation Index"** has the meaning given to it in Inflation Index Security Condition 3 (Successor Inflation Index) below; and

**"Substitute Inflation Index Level"** means, in respect of a Delayed Index Level Event, the Index Level determined by the Issuer in accordance with Inflation Index Security Condition 2 (Delay in Publication) below.

**"Valuation Date"** means the Interest Valuation Date and/or the Redemption Valuation Date specified in the applicable Final Terms;

## 2. **Delay in Publication**

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Valuation Date, then the Relevant Level with respect to any Reference Month which is to be utilised in any calculation or determination to be made by the Calculation Agent and/or the Issuer with respect to such Valuation Date (the **"Substitute Inflation Index Level"**) shall be determined by the Calculation Agent (subject to Inflation Index Security Condition 4.2 (Substitute Inflation Index Level) below, as follows:

- (a) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (b) if (i) Related Bond is specified as not applicable in the relevant Final Terms, or (ii) the Calculation Agent is not able to determine a Substitute Inflation Index Level under (a) above, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the following formula:

Substitute Inflation Index Level = Base Level × (Latest Level/Reference Level);

where:

"**Base Level**" means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Inflation Index Level is being determined;

"**Latest Level**" means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Inflation Index Level is being determined; and

"**Reference Level**" means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuer shall promptly give notice to the Holders in accordance with Condition 17 of any Substitute Inflation Index Level.

If the Relevant Level is published or announced at any time on or after the relevant Cut-Off Date specified in the applicable Final Terms, such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level so determined pursuant to this Inflation Index Security Condition 2 will be the definitive level for that Reference Month.

### 3. **Successor Inflation Index**

If the Calculation Agent determines that the level of an Inflation Index is not calculated and announced by the Index Sponsor for two consecutive months and/or the Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index and/or the Index Sponsor cancels the Inflation Index, then the Calculation Agent shall determine a successor index (a "**Successor Inflation Index**") (in lieu of any previously applicable Index) for the purposes of the Securities as follows:

- (a) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine a "Successor Inflation Index" by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;
- (b) if (i) Related Bond is specified as not applicable in the applicable Final Terms or (ii) a Related Bond Redemption Event has occurred and Fallback Bond is specified as not applicable in the applicable Final Terms, the Index Sponsor announces that it will no longer publish or announce the Inflation Index but that it will be superseded by a replacement Inflation Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Inflation Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Inflation Index, such replacement index shall be designated a "Successor Inflation Index";
- (c) if no Successor Inflation Index has been deemed under (a) or (b) the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be; if between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, such index will be deemed the "Successor Inflation Index"; if three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the "Successor Inflation Index"; if fewer than three responses are received by the Cut-Off Date or if each of the responses received state different indices the Calculation Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "Successor Inflation Index"; or

- (d) if the Calculation Agent determines that there is no appropriate alternative index there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

For the avoidance of doubt, the Calculation Agent shall determine the date on which the Successor Inflation Index shall be deemed to replace the Index for the purposes of the Inflation Index Securities. Notice of the determination of a Successor Inflation Index, the effective date of the Successor Inflation Index or the occurrence of an Index Cancellation will be given to holders of the Inflation Index Securities by the Issuer in accordance with Condition 17.

#### **4. Adjustments**

##### **4.1 Successor Inflation Index**

If a Successor Inflation Index is determined in accordance with Inflation Index Security Condition 3 (Successor Inflation Index) above, the Calculation Agent may make any adjustment or adjustments (without limitation) to the Final Redemption Amount payable under the Securities (if any) and/or any other relevant term of the Securities as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner. The Issuer shall give notice to the Holders of any such adjustment in accordance with Condition 17.

##### **4.2 Substitute Inflation Index Level**

If the Calculation Agent determines a Substitute Inflation Index Level in accordance with Inflation Index Security Condition 2 (Delay in Publication) above, the Calculation Agent may make any adjustment or adjustments (without limitation) to (a) the Substitute Inflation Index Level determined in accordance with Inflation Index Security Condition 2 (Delay in Publication) above and/or (b) the Interest Amount and/or Final Redemption Amount payable under the Securities (if any) and/or any other relevant term of the Securities, in each case, as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner. The Issuer shall give notice to the Holders of any such adjustment in accordance with Condition 17.

##### **4.3 Index Level Adjustment Correction**

- (a) The first publication or announcement of the Relevant Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Inflation Index Security Condition 4.6 (Index Modification) below, later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National-Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior to any relevant Valuation Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Holders of any valid revision in accordance with Condition 17.
- (b) If, within 30 days of publication or at any time prior to a Valuation Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Valuation Date, the Calculation Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Calculation Agent may make any adjustment to any relevant Interest Amount and/or Final Redemption Amount payable under the Securities (if any) and/or any other relevant term of the Securities as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner appropriate as a result of such correction and/or determine the amount (if any) that is payable as a result of that correction. The Issuer shall give notice to the Holders of any such adjustment and/or amount in accordance with Condition 17.

- (c) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of a Valuation Date in respect of which a Substitute Inflation Index Level was determined, the Calculation Agent may either (i) determine that such Relevant Level shall not be used in any calculation or determination under the Inflation Index Securities and that the Substitute Inflation Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (ii) to make any adjustment to any relevant Interest Amount and/or Final Redemption Amount payable under the Securities (if any) and/or any other relevant term of the Securities as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Holders of any determination in respect of (i) or (ii), together with any adjustment or amount in respect thereof, in accordance with Condition 17.

#### 4.4 **Currency**

If the Calculation Agent determines that any event occurs affecting the Specified Currency or Settlement Currency, as applicable, (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount and/or any other relevant term of the Securities (including the date on which any amount is payable by the Issuer), the Calculation Agent may make such adjustment or adjustments to the Final Redemption Amount and/or any Interest Amount and/or any other relevant term of the Securities as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner. The Issuer shall give notice to the Holders of any such adjustment in accordance with Condition 17.

#### 4.5 **Rebasing**

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the Relevant Level from the date of such rebasing; provided, however, that the Calculation Agent may make (a) if Related Bond is specified as applicable in the relevant Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as before the rebasing, and/or (b) if Related Bond is specified as not applicable in the relevant Final Terms or a Related Bond Redemption Event has occurred, the Calculation Agent may make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, and in each case the Calculation Agent may make any adjustment(s) to any relevant Interest Amount and/or Final Redemption Amount payable under the Securities (if any) and/or any other term of the Securities as the Calculation Agent may deem necessary acting in good faith and in a commercially reasonable manner. If the Calculation Agent determines that neither (a) nor (b) above would produce a commercially reasonable result, the Issuer may redeem each Security on a date notified by the Issuer to Holders in accordance with Condition 17 in which event the Issuer will pay to each Holder in respect of each such Security an amount equal to the fair market value of a Security as determined by the Calculation Agent as at the date of redemption taking into account the rebasing, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any adjustment, redemption of the Securities or determination pursuant to this paragraph shall be given to Holders in accordance with Condition 17.

#### 4.6 **Index Modification**

- (a) If on or prior to the Cut-Off Date in respect of any Valuation Date, the Calculation Agent determines that an Index Modification has occurred, the Calculation Agent may (i) if Related Bond is specified as applicable in the relevant Final Terms, make any adjustments to the relevant Inflation Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, the Final Redemption Amount payable

under the Securities), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner, or (ii) if Related Bond is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, make only those adjustments to the relevant Inflation Index, any Relevant Level and/or any other term of the Inflation Index Securities (including, without limitation, any relevant Interest Amount and/or Final Redemption Amount payable under the Securities), as the Calculation Agent deems necessary acting in good faith and in a commercially reasonable manner for the modified Index to continue as the relevant Inflation Index and to account for the economic effect of the Index Modification.

- (b) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Valuation Date, the Calculation Agent may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Valuation Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Interest Payment Date, and/or Maturity Date, as the case may be, such that the provisions of paragraph (a) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-Off Date, to make any adjustments as the Calculation Agent deems fit in accordance with paragraph (a) above.

#### 4.7 **Index Cancellation**

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may:

- (a) elect for the Calculation Agent to calculate the relevant Interest Amount and/or relevant level using, in lieu of a published level for that Inflation Index, the level for that Inflation Index, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Inflation Index last in effect prior to cancellation;
- (b) redeem all but not some only of the Securities on the date notified by the Issuer to Holders in accordance with Condition 17 in which event the Issuer will pay to each Holder in respect of such Security held by him an amount equal to fair market value of a Security as determined by the Calculation Agent as at the date of redemption taking into account the Index Cancellation, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any redemption of the Securities pursuant to this paragraph shall be given to Holders in accordance with Condition 17.

## ANNEX 8

### ADDITIONAL TERMS AND CONDITIONS FOR CURRENCY SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Currency Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Currency Securities set out below (the "**Currency 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 Conditions and (ii) the Currency Security Conditions, the Currency Security Conditions shall prevail. References in the Currency Security Conditions to "Security" and "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. Definitions

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

"**Dual Exchange Rate**" means that any of the Base Currency, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates;

"**Disrupted Day**" means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event has occurred;

"**FX Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

"**FX Digital Level**" means:

- (a) if FX Digital Average Value is specified as applicable in the applicable Final Terms, the arithmetic average of the Settlement Prices for all the FX Averaging Dates;
- (b) if Single Resettable Level is specified as applicable in the applicable Final Terms, the Settlement Price on the FX Digital Observation Date plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment; or

- (c) if Multiple Resettable Level is specified as applicable in the applicable Final Terms, in respect of a Resettable Period, the Settlement Price on the FX Digital Observation Date specified for such Resettable Period plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

**"FX Digital Observation Date"** means each date specified as such in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"FX Knock-in Level"** means:

- (a) if Knock-in Average Value is specified as applicable in the applicable Final Terms the arithmetic average of the Settlement Prices for all the Knock-in Averaging Dates;
- (b) if Single Resettable Knock-in is specified as applicable in the applicable Final Terms, the Settlement Price on the Knock-in Observation Date plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment; or
- (c) if Multiple Resettable Knock-in is specified as applicable in the applicable Final Terms, in respect of a Resettable Knock-in Period, the Settlement Price on the Knock-in Observation Date specified for such Resettable Knock-in Period plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

**"FX Knock-out Level"** means:

- (a) if Knock-out Average Value is specified as applicable in the applicable Final Terms the arithmetic average of the Settlement Prices for all the Knock-out Averaging Dates;
- (b) if Single Resettable Knock-out is specified as applicable in the applicable Final Terms, the Settlement Price on the Knock-out Observation Date plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;
- (c) if Multiple Resettable Knock-out is specified as applicable in the applicable Final Terms, in respect of a Resettable Knock-out Period, the Settlement Price on the Knock-out Observation Date specified for such Resettable Knock-out Period plus or minus, as indicated in the applicable Final Terms, the Resettable Adjustment;

**"Illiquidity Disruption"** means the occurrence of any event in respect of any of the Base Currency, Subject Currency and/or Subject Currencies whereby it becomes impossible for the Calculation Agent or Issuer to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent or Issuer to hedge its obligations under the Securities (in one or more transaction(s)) on the relevant Averaging Date or any Settlement Price Date (or, if different, the day on which rates for such Averaging Date or Settlement Price Date would, in the ordinary course, be published or announced by the relevant price source);

**"Knock-in Averaging Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding

Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Knock-out Averaging Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Knock-in Observation Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Knock-out Observation Date"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case,

unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Price Source"** means the published source, information vendor or provider containing or reporting the rate or rates from which the Settlement Price is calculated as specified in the applicable Final Terms;

**"Price Source Disruption"** means that it becomes impossible to obtain the rate or rates from which the Settlement Price is calculated;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Resettable Knock-in Period"** means the period specified as such in the applicable Final Terms;

**"Resettable Knock-out Period"** means the period specified as such in the applicable Final Terms;

**"Resettable Period"** means the period specified as such in the applicable Final Terms;

**"Scheduled Trading Day"** means a day on which commercial banks are open (or, but for the occurrence of a Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centres of the Base Currency and Subject Currency or Subject Currencies;

**"Settlement Price Date"** means each Averaging Date, Strike Day, Strike Date, FX Averaging Dates, FX Digital Observation Date, Knock-in Averaging Date, Knock-out Averaging Date, Knock-in Observation Date, Knock-out Observation Date, Observation Date or Valuation Date, as the case may be;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, five Scheduled Trading Days;

**"Strike Date"** means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Strike Day"** means each date specified as such in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Strike Period"** means the period specified as such in the applicable Final Terms;

**"Valuation Date"** means the Interest Valuation Date and/or the Redemption Valuation Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately preceding Scheduled Trading Day (if Preceding Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), the immediately succeeding Scheduled Trading Day or, if such Scheduled Trading Day falls in the next calendar month, the immediately preceding Scheduled Trading Day (if Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date) or the immediately succeeding Scheduled Trading Day (if neither Preceding Currency Convention nor Modified Following Currency Convention is specified as applicable in the applicable Final Terms in respect of such date), in each case, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time at which the Price Source publishes the relevant rate or rates from which the Settlement Price is calculated; and

**"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

## **2. Disruption Events**

The occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be a Disruption Event:

- (a) Price Source Disruption;
- (b) Illiquidity Disruption;
- (c) Dual Exchange Rate; or
- (d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) or (c).

The Calculation Agent shall give notice as soon as practicable to Holders in accordance with Condition 17 of the occurrence of a Disrupted Day on any day that but for the occurrence of the Disrupted Day would have been an Averaging Date, Settlement Price Date, Knock-in Determination Day or Knock-out Determination Day, as the case may be.

## **3. Consequences of a Disruption Event**

Upon a Disruption Event occurring or continuing on any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply the applicable Disruption Fallback in determining the consequences of the Disruption Event.

**"Disruption Fallback"** means a source or method that may give rise to an alternative basis for determining the Settlement Price when a Disruption Event occurs or exists on a day that is a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the Price Source). The Calculation Agent shall take the relevant actions specified in either (a) or (b) below.

- (a) if a Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Settlement Price Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day (in the case of any Settlement Price Date) or Valid Date (in the case of an Averaging Date or Strike Day) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Settlement Price Date is a Disrupted Day in which case the Calculation Agent may determine that the

last such consecutive Scheduled Trading Day shall be deemed to be the Settlement Price Date (irrespective of whether that last consecutive Scheduled Trading Day is already a Settlement Price Date) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Subject Currency as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or

- (b) (i) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and where Delayed Redemption on Occurrence of a Disruption Event is specified as not applicable in the applicable Final Terms, on giving notice to Holders in accordance with Condition 17 the Issuer shall redeem all but not some only of the Securities, each Security being redeemed by payment of an amount equal to the fair market value of such Security, less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payment shall be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
- (ii) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Delayed Redemption on Occurrence of a Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security less, except in the case of Italian Listed Notes or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Currency Disruption Amount**") as soon as practicable following the occurrence of the Disruption Event (the "**Calculated Currency Disruption Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Currency Disruption Amount plus interest accrued from and including the Calculated Currency Disruption Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); and/or
- (c) notwithstanding any provisions in the Conditions to the contrary, postpone any payment date related to such Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be provided or announced by the Price Source), as the case may be (including the Maturity Date) until the Business Day following the date on which a Disruption Event is no longer subsisting and no interest or other amount shall be paid by the Issuer in respect of such postponement.

#### 4. Settlement Price

"**Settlement Price**" means, in respect of a Subject Currency and a Settlement Price Date, and subject to Currency Security Condition 3 above, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on such Settlement Price Date, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), Provided That if the relevant rate of exchange is derived from two or more rates of exchange, the Settlement

Price shall be calculated by the Calculation Agent as provided above acting in good faith and in a commercially reasonable manner on the basis of each such rate of exchange.

## ANNEX 9

### ADDITIONAL TERMS AND CONDITIONS FOR FUND SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Fund Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Fund Securities set out below (the "**Fund 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 Conditions and (ii) the Fund Security Conditions, the Fund Security Conditions shall prevail. References in the Fund Security Conditions to "Security" and "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. **Definitions**

"**AUM Level**" has the meaning given to it in the applicable Final Terms, or if not so specified, with respect to (i) a Mutual Fund, EUR 50,000,000, or (ii) a Hedge Fund, EUR 50,000,000, or the equivalent in any other currency;

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Fund Business Day, the immediately following Fund Business Day;

"**Basket Trigger Event**" means that an Extraordinary Fund Event occurs in respect of one or more Funds comprising the Fund Basket which has or, in the event that an Extraordinary Fund Event has occurred in respect of more than one Fund, together have, a Weighting in the Fund Basket equal to or greater than the Basket Trigger Level;

"**Basket Trigger Level**" has the meaning given to it in the applicable Final Terms or if not so specified, 50 per cent.;

"**Calculation Date**" means each day(s) specified in the applicable Final Terms, or if not so specified, each day which is a Fund Business Day;

"**Delayed Payment Cut-off Date**" has the meaning given in the applicable Final Terms or, if not so specified, the date falling two calendar years after the originally designated Maturity Date;

"**Extraordinary Fund Event Effective Date**" means, in respect of an Extraordinary Fund Event, the date on which such Extraordinary Fund Event occurs, or has occurred, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

"**Final Calculation Date**" means the date specified as such in the applicable Final Terms;

"**Fund**" means each Mutual Fund, Hedge Fund or Private Equity Fund;

"**Fund Basket**" means, where the Fund Securities are linked to the performance of Fund Shares of more than one Fund, a basket comprising such Fund Shares;

"**Fund Business Day**" means either (i) with respect to single Fund, Fund Business Day (Single Fund Share Basis), or (ii) in respect of a Fund Basket, either Fund Business Day (All Fund Shares Basis) or Fund Business Day (Per Fund Share Basis) as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Fund Business Day (Per Fund Share Basis) shall apply;

"**Fund Business Day (All Fund Shares Basis)**" means, with respect to a Fund Basket, a date (i) that is a Fund Valuation Date for all Fund Shares comprised in the Fund Basket and (ii) on which the Hedge Provider has, or

could have, a subscription or redemption order for each such Fund Share executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

**"Fund Business Day (Per Fund Share Basis)"** means, with respect to a Fund Share, a date (i) that is a Fund Valuation Date in respect of such Fund Share and (ii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

**"Fund Business Day (Single Fund Share Basis)"** means with respect to a Fund Share, a date (i) that is a Fund Valuation Date and (ii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

**"Fund Documents"** means, with respect to any Fund Share, the offering document of the relevant Fund in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such Fund Share and, for the avoidance of doubt, any other documents or agreements in respect of the Fund, as further described in any Fund Document;

**"Fund Service Provider"** means, in respect of any Fund, any person who is appointed to provide services, directly or indirectly, in respect of such Fund, whether or not specified in the Fund Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms;

**"Fund Share(s)"** means an ownership interest issued to or held by an investor in a Fund or any other interest specified as such in the applicable Final Terms;

**"Fund Valuation Date"** means any date as of which, in accordance with the Fund Documents, the Fund (or the Fund Service Provider that generally determines such value) is or but for the occurrence of an Extraordinary Fund Event would have been scheduled to determine the NAV per Fund Share;

**"Hedge Fund"** means the hedge fund(s) specified as such in the applicable Final Terms;

**"Hedge Provider"** means the party (being, *inter alios*, the Issuer, the Guarantor, the Calculation Agent, an Affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of Fund Shares, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of Fund Shares as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities;

**"Hedging Date"** has the meaning given to it in the applicable Final Terms;

**"Hypothetical Investor"** means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in a Fund Share which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding a Fund Share at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor, the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation);

**"Implied Embedded Option Value"** means an amount (which may never be less than zero) equal to the present value as of the Implied Embedded Option Value Determination Date of any scheduled but unpaid payments under the Securities in respect of the period from (and including) the Extraordinary Fund Event Effective Date to (and including) the Maturity Date as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner but, notwithstanding anything to the contrary contained herein, taking into account, without limitation, such factors as the net proceeds actually received from the redemption or sale of any Fund Shares by the Hedge Provider, the volatility of the Fund Shares and any transaction costs;

**"Implied Embedded Option Value Determination Date"** means the date determined by the Calculation Agent to be the earlier of (a) the date on which the Hedge Provider receives redemption proceeds in full in respect of its holding of Fund Shares (which for the avoidance of doubt, may be later than the scheduled Maturity Date) or (b) the Delayed Payment Cut-off Date;

**"Initial Calculation Date"** means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date;

**"Merger Event"** means, in respect of any relevant Shares and Entity (as defined below), any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such Entity, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of an Entity that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity or its subsidiaries with or into another entity in which the Entity is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Extraordinary Fund Event Effective Date, as determined by the Calculation Agent, is on or before the Final Calculation Date. For the purposes of this definition "Merger Event" only, "Shares" shall mean the applicable Fund Shares or the shares of any applicable Fund Service Provider, as the context may require, and "Entity" shall mean the applicable Fund or any applicable Fund Service Provider, as the context may require.

**"Mutual Fund"** means the mutual fund(s) specified as such in the applicable Final Terms;

**"NAV per Fund Share"** means, with respect to the relevant Fund Shares and a Fund Business Day, (i) the net asset value per Fund Share as of the related Fund Valuation Date, as reported by the Fund Service Provider that generally publishes or reports such value on behalf of the Fund to its investors or a publishing service, or (ii) if the Fund Service Provider of the Fund publishes or reports only the aggregate net asset value of the Fund Shares, the net asset value per Fund Share calculated by the Calculation Agent on the basis of such aggregate net asset value of the Fund Shares divided by the number of Fund Shares issued and outstanding as of the related Fund Valuation Date;

**"NAV Trigger Event"** means, in respect of the Fund Shares, that (i) the NAV per Fund Share has decreased by an amount equal to, or greater than, the NAV Trigger Percentage(s) at any time during the related NAV Trigger Period, or (ii) the Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgement of any court or other agency of government applicable to it or any of its assets, the Fund Documents or any other contractual restriction binding on or affecting the Fund or any of its assets;

**"NAV Trigger Percentage"** means the percentage specified in the applicable Final Terms or, if not so specified, with respect to (i) a Mutual Fund 50 per cent., or (ii) a Hedge Fund 50 per cent.;

**"NAV Trigger Period"** means the period specified in the applicable Final Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date;

**"Non-Principal Protected Termination Amount"** means an amount per Security determined by the sum of:

- (i) the Implied Embedded Option Value; and
- (ii) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

**"Number of NAV Publication Days"** means the number of calendar days specified in the applicable Final Terms or if not so specified, with respect to (i) a Mutual Fund, 5 calendar days, or (ii) a Hedge Fund, 10 calendar days;

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms, or if any such date is not a Fund Business Day, the immediately succeeding Fund Business Day;

**"Principal Protected Termination Amount"** means an amount per Security determined as:

- (i) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms:
  - (A) the greater of:
    - (1) the Protected Amount; and
    - (2) the Implied Embedded Option Value; and
  - (B) the Simple Interest.
- (ii) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is not specified as being applicable in the applicable Final Terms, the Implied Embedded Option Value;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Private Equity Fund"** means the private equity fund(s) specified as such in the applicable Final Terms;

**"Scheduled Trading Day"** means, if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, for the purpose of determining whether a day is a Hybrid Business Day, a Fund Business Day;

**"Settlement Price Date"** means the Strike Date, an Averaging Date, an Observation Date or the Valuation Date, as the case may be;

**"Simple Interest"** means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Implied Embedded Option Value during the period from (and including) the Implied Embedded Option Value Determination Date to (and excluding) the later of (i) the Maturity Date, or (ii) the date falling five Business Days after the Implied Embedded Option Value Determination Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. under which:

- (A) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (B) the "Termination Date" is the Termination Date;
- (C) the "Floating Rate Payer Payment Date" is the Termination Date;
- (D) the "Floating Rate Option" is EUR-EONIA-Swap Index (if the Settlement Currency is EUR) or USD-Federal Funds-H.15 (if the Settlement Currency is USD);
- (E) the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;
- (F) the "Floating Rate Day Count Fraction" is Actual/360;
- (G) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (H) "Compounding" is "Inapplicable";

"**Strike Date**" means the Strike Date specified as such in the applicable Final Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day;

"**Strike Day**" means each date specified as such in the applicable Final Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day;

"**Strike Period**" means the period specified as such in the applicable Final Terms;

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares, units or interests of the Fund or Fund Service Provider, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

"**Termination Amount**" means the amount specified in the applicable Final Terms or if not so specified, (i) the Principal Protected Termination Amount, or (ii) the Non-Principal Protected Termination Amount, as specified in the applicable Final Terms;

"**Termination Date**" means (i) the date determined by the Issuer and specified in the notice given to Holders in accordance with Fund Security Condition 4.2(c), or (ii) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Maturity Date;

"**Trade Date**" has the meaning given to it in the applicable Final Terms.

"**Valuation Date**" means the Interest Valuation Date and/or Redemption Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day;

## 2. **Extraordinary Fund Events**

Subject to the provisions of Fund Security Condition 3 (Determination of Extraordinary Fund Events), "**Extraordinary Fund Event**" means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

**Global Events:**

- 2.1 the Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable) (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv)(1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or
- 2.2 the occurrence of a Merger Event or Tender Offer;

**Litigation/Fraudulent Activity Events:**

- 2.3 there exists any litigation against the Fund or a Fund Service Provider which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner could materially affect the value of the Fund Shares or the rights or remedies of any investor in such Fund Shares; or
- 2.4 (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any Fund Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the Fund, any Fund Service Provider or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the determination of the Calculation Agent acting in good faith and a commercially reasonable manner, materially affect the value of the Fund Shares or the rights or remedies of any investor in such Fund Shares;

**Fund Service Provider/Key Person Events:**

- 2.5 (i) a Fund Service Provider ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Documents which failure is reasonably likely to have an

adverse impact on the value of the Fund Shares or on the rights or remedies of any investor in such Fund Shares; or

- 2.6 one or more of the key individuals involved with, or having supervision over, the Fund or a Fund Service Provider ceases to act in such capacity, and the relevant Fund Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act;

**Modification Events:**

- 2.7 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the Fund (howsoever described, including the underlying type of assets in which the Fund invests), from those set out in the Fund Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 2.8 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the Fund invests, or (ii) the Fund purports to track;
- 2.9 a material modification, or any announcement regarding a potential future material modification, of the Fund (including but not limited to a material modification of the Fund Documents or to the Fund's liquidity terms) other than a modification or event which does not affect the Fund Shares or the Fund or any portfolio of assets to which the Fund Share relates (either alone or in common with other Fund Shares issued by the Fund);
- 2.10 the creation by the Fund of any illiquid share class or unit howsoever described;
- 2.11 the currency denomination of the Fund Shares is amended from that set out in the Fund Documents so that the NAV per Fund Share is no longer calculated in the same currency as it was as at the Trade Date;
- 2.12 if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction; or
- 2.13 following the issue or creation of a new class or series (howsoever described in the Fund Documents) of shares or units by the Fund, the Calculation Agent determines taking into consideration the potential cross-liability between classes of shares or units (howsoever described in the Fund Documents) that such new class or series has or may have an adverse effect on the hedging activities of the Hedge Provider in relation to the Securities;

**NAV per Fund Share/AUM Level Events:**

- 2.14 a material modification of the method of calculating the NAV per Fund Share;
- 2.15 any change in the periodicity of the calculation or the publication of the NAV per Fund Share;
- 2.16 any suspension of the calculation or publication of the NAV per Fund Share;
- 2.17 the occurrence of any event affecting a Fund Share that the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, would make it impossible or impracticable for the Calculation Agent to determine the NAV per Fund Share;

- 2.18 any of the Fund, any Fund Service Provider or any other party acting on behalf of the Fund fails for any reason to calculate and publish the NAV per Fund Share within the Number of NAV Publication Days following any date scheduled for the determination of the valuation of the Fund Shares unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 2.19 any Fund Service Provider uses asset prices provided by the investment manager (howsoever described in the Fund Documents) to calculate the NAV per Fund Share when such asset prices could have been obtained from independent sources and the asset prices from independent sources materially diverge from the asset prices provided by the investment manager (howsoever described in the Fund Documents);
- 2.20 the assets under management of the Fund falls below the AUM Level;
- 2.21 (i) the Calculation Agent determines, at any time, that the NAV per Fund Share is inaccurate, or (ii) the reported net asset value of the Fund Shares misrepresents the net asset value of the Fund Shares;
- 2.22 a NAV Trigger Event occurs; or
- 2.23 (i) in the case of a Hedge Fund only, the audited net asset value of the Fund and/or the NAV per Fund Share is different from the audited net asset value of the Fund and/or the NAV per Fund Share communicated by the relevant Fund Service Provider in respect of the same date, (ii) the auditors of the Fund qualify any audit report, or refuse to provide an unqualified audit report, in respect of the Fund, and/or (iii) the Calculation Agent, acting in good faith and in a commercially reasonable manner, does not deem the audited net asset value of the Fund and/or the NAV per Fund Share to be representative of the actual net asset value of the Fund and/or the NAV per Fund Share;

**Reporting Events:**

- 2.24 any failure of the Fund, or its authorised representative, to deliver or publish, or cause to be delivered or published, (i) information that the Fund has agreed to deliver or publish, or agreed to cause to be delivered or published, to the Calculation Agent or Hedge Provider, or (ii) information that has been previously delivered to the Hedge Provider or the Calculation Agent, as applicable, in accordance with the Fund's, or its authorised representative's, normal practice and that the Hedge Provider deems necessary for it or the Calculation Agent, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Fund Share; or
- 2.25 any Fund Service Provider fails to provide the Calculation Agent, within a reasonable time, with any information that the Calculation Agent has reasonably requested regarding the investment portfolio or other activities or undertakings of the Fund;

**Tax/Law/Accounting/Regulatory Events:**

- 2.26 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a "**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would

result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or

- 2.27 (i) any relevant activities of or in relation to the Fund or a Fund Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any Fund Shares, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any Fund Shares held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Service Provider that is reasonably likely to have an adverse impact on the value of the Fund Shares or other activities or undertakings of the Fund or on the rights or remedies of any investor in such Fund Shares, including any Hedge Provider;

**Hedging/Impracticality/Increased Costs Events:**

- 2.28 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount or cost of regulatory capital that would have to be maintained in respect of any holding of Fund Shares or that would subject a holder of the Fund Shares or the Hedge Provider to any loss), purchase or sell the relevant Fund Shares or any underlying assets of or related to the Fund or for the Hedge Provider to maintain such hedging arrangements and, (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;
- 2.29 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees (or the combined effect thereof if occurring more than once)) would be materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;
- 2.30 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary to hedge the Issuer's

obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (A) any restrictions or increase in charges or fees imposed by the Fund on any investor's ability to redeem a Fund Share, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Share, or (B) any mandatory redemption, in whole or in part, of such Fund Share; or

- 2.31 at any time on or after the Trade Date, the Issuer and/or any of its Affiliates would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities; or
- 2.32 if, at any time on or after the Trade Date of the first tranche of the Series, the Hedge Provider directly or indirectly acquires or retains any ownership interest in or sponsors a covered fund that is not subject to an exemption under 12 U.S.C. § 1851 (the "**U.S. Volcker Rule**");

**Dealing Events:**

- 2.33 (i) the non-execution or partial-execution by the Fund for any reason of a subscription or redemption order in respect of any Fund Shares (including, for the avoidance of any doubt, any non-execution by the Fund pending completion of its fiscal audit) (ii) the Fund suspends or refuses transfers of any of its Fund Shares (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of Fund Shares), (iii) the Fund imposes in whole or in part any restriction (including, without limitation, any redemption in specie), charge or fee in respect of a redemption or subscription of its Fund Shares by the Hedge Provider or exercises its right to claw back the proceeds already paid on redeemed Fund Shares, if in any case it could in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner have an adverse impact on the Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Securities, or (iv) a mandatory redemption, in whole or in part, of the Fund Shares is imposed by the Fund on any one or more holders of Fund Shares at any time for any reason;

**Miscellaneous Events:**

- 2.34 in the case of Securities linked to a Fund Basket, a Basket Trigger Event occurs;
- 2.35 the Fund or any Fund Service Provider defaults under, materially modifies, or terminates any rebate agreements in place with the Issuer, the Hedge Provider or any of its Affiliates;
- 2.36 if the Fund is part of an umbrella structure with more than one sub-fund, a cross-contamination or other failure to segregate the portfolio of assets held by the Fund occurs between different series, classes and/or sub-funds;
- 2.37 any security granted by the Fund or any Fund Service Provider over any of its assets is enforced or becomes capable of being enforced or any arrangement which in the determination of the Calculation Agent is comparable to security over any such assets (including without limitation any repo or prime brokerage arrangement) becomes enforceable or capable of early termination or any derivatives, repo, securities lending or other trading or dealing arrangement relating to the assets of the Fund becomes enforceable or terminable early by reason of any event of default (howsoever described) relating to the Fund or the relevant Fund Service Provider; or
- 2.38 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider or any parent company (howsoever described) of the Fund, by Moody's Investors Service

Inc., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's).

References solely in this Fund Security Condition 2 (Extraordinary Fund Events) to:

- (i) "**Fund**" shall include the Fund and any funds in which it invests any of its investible assets from time to time; and
- (ii) "**Fund Shares**" shall include the Fund Shares and the shares or units in any Fund (as defined in paragraph (i) above).

### 3. **Determination of Extraordinary Fund Events**

The Calculation Agent will determine if an Extraordinary Fund Event has occurred acting in good faith and in a commercially reasonable manner. Where the occurrence of an event or set of circumstances is capable of triggering more than one Extraordinary Fund Event, the Issuer may determine which Extraordinary Fund Event is to be triggered.

In considering whether the occurrence of an event or set of circumstances triggers an Extraordinary Fund Event, the Calculation Agent may have regard to the combined effect, from the Trade Date, of any event or set of circumstances, as the case may be, if such event or set of circumstances occurs more than once.

### 4. **Consequences of an Extraordinary Fund Event**

- 4.1 If the Calculation Agent determines that an Extraordinary Fund Event has occurred, the Calculation Agent shall give notice (an "**Extraordinary Fund Event Notice**") to the Holders in accordance with Condition 17 (which notice shall be irrevocable), of the occurrence of such Extraordinary Fund Event (the date on which an Extraordinary Fund Event Notice is given, an "**Extraordinary Fund Event Notification Date**") as soon as reasonably practicable following the determination of an Extraordinary Fund Event. The Extraordinary Fund Event Notice shall set out, if determined at that time, the action that the Issuer has determined to take in respect of the Extraordinary Fund Event pursuant to Fund Security Condition 4.2 below. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary Fund Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Holders in accordance with Condition 17 as soon as reasonably practicable after the Extraordinary Fund Event Notification Date.

Neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder or any other person in connection with the Securities as a result of any delay in notifying Holders of the occurrence of an Extraordinary Fund Event, howsoever arising. If the Calculation Agent gives an Extraordinary Fund Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Issuer has determined the action that it has determined to take pursuant to Fund Security Condition 4.2 below.

- 4.2 Following the occurrence of an Extraordinary Fund Event, the Issuer may take the action described below in 4.2(a), (b) or (c) provided that, if the Calculation Agent determines that an Extraordinary Fund Event has occurred or is continuing on the Delayed Payment Cut-off Date in accordance with the provisions of Fund Security Condition 5 below, the Issuer shall determine that the action to be taken in respect of the Extraordinary Fund Event is "**Termination**".

- (a) Adjustment

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Adjustment**", then the Calculation Agent may determine, acting in good faith and in a commercially reasonable manner, the appropriate adjustment(s), if any, to be made to any one or more Fund, Fund Share and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to take account of the Extraordinary Fund Event and determine the effective date of such adjustment.

(b) Substitution

If the Issuer determines that the action in respect of the Extraordinary Fund Event is to be "**Substitution**", the Calculation Agent shall:

- (i) determine the weighted average price at which a Hypothetical Investor can redeem the Fund Shares in the relevant Fund in such number as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner as soon as it is reasonably practicable following the Extraordinary Fund Event;
- (ii) for a period of not longer than 14 calendar days following the date on which a Hypothetical Investor would have received proceeds from a redemption order in full submitted by the Hedge Provider as soon as practicable following the occurrence of an Extraordinary Fund Event, use reasonable efforts to substitute the Fund Shares with shares, units or other similar interests in an alternative fund which, in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner, has similar characteristics to the relevant Fund, including but not limited to, comparable investment objectives, investment restrictions and investment processes and has service providers acceptable to the Calculation Agent;
- (iii) if no alternative fund can be determined pursuant to the preceding sub-paragraph (ii) above, use reasonable efforts to substitute the Fund with an index (or a fund tracking such index) selected by the Calculation Agent acting in good faith and in a commercially reasonable manner; and
- (iv) following any substitution in accordance with sub-paragraph (ii) or (iii) above, the Issuer may require the Calculation Agent make such determinations and/or adjustments to these Terms and Conditions and/or the Final Terms as it determines to be appropriate to take account of such Substitution.

(c) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Termination**", on giving notice to Holders in accordance with Condition 17 (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event and will specify the Termination Date), all but not some only of the outstanding Fund Securities shall be redeemed by payment of the Termination Amount on the Termination Date. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17.

(d) General

In determining to take a particular action as a result of an Extraordinary Fund Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary Fund Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

5. **Interest Payment Date/Maturity Date/Automatic Early Redemption Date/Termination Date Extension**

In the case of Cash Settled Securities, if on the date falling two Business Days prior to the originally designated Maturity Date or Automatic Early Redemption Date the Hedge Provider has not, after having placed one or more redemption orders in respect of its holding of Fund Shares in accordance with the terms of the relevant Fund Documents, received redemption proceeds in full in respect of such Fund Shares (the "**Redemption Proceeds**"), the Calculation Agent may postpone the Maturity Date or Automatic Early Redemption Date and notify the Holders thereof in accordance with Condition 17.

As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Holders in accordance with Condition 17 (such notice the "**Delayed Payment Notice**") and redeem the Securities on the date falling not more than five Business Days following the receipt of the Delayed Payment Notice (such date, the "**Postponed Settlement Date**") by payment to each Holder of the Final Redemption Amount or the Automatic Early Redemption Amount, as the case may be, provided that, if the Hedge Provider does not receive the Redemption Proceeds within the period ending on (and including) the Delayed Payment Cut-off Date, the Calculation Agent shall determine that an Extraordinary Fund Event has occurred and is continuing on the Delayed Payment Cut-off Date and shall notify Holders thereof in accordance with the procedures set out in Fund Security Condition 4 above, and in accordance with Condition 17 and the provisions of Fund Security Condition 4.2(c) shall apply.

In the case of interest bearing Securities or Certificates which pay a Premium Amount, if on the date falling two Business Days prior to an Interest Payment Date the Hedge Provider has not, after having placed one or more redemption orders in respect of its holding of Fund Shares in accordance with the terms of the relevant Fund Documents, received redemption proceeds in full in respect of such Fund Shares (the "**Redemption Proceeds**"), the Calculation Agent may notify the Holders in accordance with Condition 17 that such Interest Payment Date has been postponed. As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Holders in accordance with Condition 17 (such notice the "**Delayed Payment Notice**") and the Issuer shall pay the Interest Amount in respect of the Interest Period ending on or immediately preceding the Interest Payment Date on the date falling not more than five Business Days following the receipt of the Delayed Payment Notice (such date, the "**Postponed Payment Date**") and no additional amount shall be payable in respect of such delay, provided that, if the Hedge Provider does not receive the Redemption Proceeds within the period ending on (and including) the Delayed Payment Cut-off Date, the Calculation Agent shall determine that an Extraordinary Fund Event has occurred and is continuing on the Delayed Payment Cut-off Date and shall notify Holders thereof in accordance with the procedures set out in Fund Security Condition 4 above, and in accordance with Condition 17 and the provisions of Fund Security Condition 4.2(c) shall apply.

## ANNEX 10

### ADDITIONAL TERMS AND CONDITIONS FOR FUTURES SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Futures Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Futures Securities set out below (the "**Futures Security Conditions**") and, 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 Conditions and (ii) the Futures Security Conditions, the Futures Security Conditions shall prevail. References in the Future Security Conditions to "Security" and "Securities" shall be deemed to be references to "Note" or "Notes" as the context admits.

#### 1. Definitions

"**Basket of Futures**" means a basket composed of each Future specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the relevant Future(s);

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session(s) or on which a Market Disruption Event has occurred;

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s), at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange for execution at the Valuation Time on such Exchange Business Day;

"**Exchange**" means, in relation to a Future, each exchange or quotation system specified as such in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Future has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Future on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exchange Business Day**" means either (a) in the case of a single Future, Exchange Business Day (Single Future Basis) or (b) in the case of a Basket of Futures, Exchange Business Day (All Futures Basis) or Exchange Business Day (Per Future Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Future Basis) shall apply;

"**Exchange Business Day (All Futures Basis)**" means, in respect of all Futures comprised in a Basket of Futures, any Scheduled Trading Day on which each Exchange is, in respect of such Futures, open for trading during its regular trading session(s) notwithstanding such Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Future Basis)"** means, in respect of a Future, any Scheduled Trading Day on which the relevant Exchange in respect of such Future is open for trading during its regular trading session(s), notwithstanding such relevant Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Future Basis)"** means any Scheduled Trading Day on which the relevant Exchange is open for trading during its respective regular trading session(s), notwithstanding such relevant Exchange closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner) the ability of market participants in general to effect transactions in, or obtain market values for, the Futures on the Exchange;

**"Future"** or **"Futures"** means, subject to adjustments in accordance with this Annex 10, in the case of an issue of Securities relating to a single Future, the futures contract and, in the case of an issue of Securities relating to a Basket of Futures, each futures contract, specified in the applicable Final Terms, and related expressions shall be construed accordingly;

**"Futures Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Scheduled Trading Day"** means either (a) in the case of a single Future, Scheduled Trading Day (Single Future Basis) or (b) in the case of a Basket of Futures, Scheduled Trading Day (All Futures Basis) or Scheduled Trading Day (Per Future Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Future Basis) shall apply;

**"Scheduled Trading Day (All Futures Basis)"** means, in respect of all Futures comprising the Basket of Futures, any day on which each Exchange is, in respect of such Futures, scheduled to be open for trading during its regular trading session(s);

**"Scheduled Trading Day (Per Future Basis)"** means, in respect of a Future, any day on which the relevant Exchange is scheduled to be open for trading during its regular trading session(s);

**"Scheduled Trading Day (Single Future Basis)"** means any day on which the relevant Exchange is scheduled to be open for trading during its regular trading session(s);

**"Settlement Cycle"** means, in respect of a Future, the period of Clearance System Days following a trade in the Future on the Exchange on which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Averaging Date", "Observation Date", "Strike Date" or "Valuation Date" as the case may be:

- (a) in the case of Futures Securities relating to a Basket of Futures and in respect of each Futures comprising the basket, an amount equal to the official closing price (or the price at the Valuation Time on an Averaging Date or the Valuation Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Future on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

- (b) in the case of Futures Securities relating to a single Future, an amount equal to the official price (or the price at the Valuation Time on an Averaging Date or the Valuation Date, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Future on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise relating to the Futures on the Exchange.

## 2. **Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single Future or a Basket of Futures, in respect of a Future the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines acting in good faith and in a commercially reasonable manner is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 17 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, or an Observation Date, a Valuation Date or the Strike Date.

## 3. **Adjustments to a Future**

### 3.1 **Futures Modification, Futures Replacement or Futures De-Listing**

If, on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, (a) the relevant Exchange makes or announces that it will make a material change in the conditions of the Future(s) (a **"Futures Modification"**), (b) the relevant Exchange replaces the Future by a new Future contract to be substituted to the Future (a **"Futures Replacement"**) or (c) the relevant Exchange announces that the relevant Future cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union) (a **"Futures De-Listing"** and, together with a Futures Modification and a Futures Replacement, each a **"Futures Adjustment Event"**), then:

- (a) following the occurrence of a Futures Modification or a Futures Replacement, the Calculation Agent shall determine acting in good faith and in a commercially reasonable manner if such Futures Modification or Futures Replacement has a material effect on the Securities and, if so, shall use the Future(s) so modified or replaced in lieu of the initial Future with respect to the relevant Securities; or
- (b) (i) unless Delayed Redemption on Occurrence of Futures Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of a Security taking into account the Futures Adjustment Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or

- (ii) if Delayed Redemption on Occurrence of Futures Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Futures Adjustment Event less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Futures Adjustment Amount**") as soon as practicable following the occurrence of the Futures Adjustment Event (the "**Calculated Futures Adjustment Amount Determination Date**") and on the Maturity Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Futures Adjustment Amount plus interest accrued from and including the Calculated Futures Adjustment Amount Determination Date to but excluding the Maturity Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, at the Protected Amount (specified in the applicable Final Terms); or

### 3.2 **Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to paragraph 3.1 above and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by Holders copies of any such determinations.

### 4. **Correction of Futures Price**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Securities, if the price of the relevant Future(s) published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Exchange within the number of days equal to the Futures Correction Period of the original publication, the price to be used shall be the price of the relevant Future(s) as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## ANNEX 11

### ADDITIONAL TERMS AND CONDITIONS FOR UNDERLYING INTEREST RATE SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Underlying Interest Rate Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Underlying Interest Rate Securities set out below (the "**Underlying Interest Rate 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 Conditions and (ii) the Underlying Interest Rate Security Conditions, the Underlying Interest Rate Security Conditions shall prevail. References in the Underlying Interest Rate Security Conditions to "Security" or "Securities" shall be deemed to be references to "Note" and "Notes" as the context admits.

#### 1. Underlying Interest Rate Determination

In respect of each Underlying Interest Determination Date specified in the applicable Final Terms, the Underlying Interest Rate or, if two or more Underlying Interest Rates are specified in the applicable Final Terms, each Underlying Interest Rate will be determined in the manner specified in the applicable Final Terms. Each Underlying Interest Rate comprising a Multiple Underlying Interest Rate will be calculated separately and independently as provided below and in the applicable Final Terms.

#### 2. ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Underlying Interest Rate is to be determined, the Underlying Reference Rate will be the relevant Underlying ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Underlying Margin (if any) specified in the applicable Final Terms. For the purposes of these Underlying Interest Rate Security Conditions, "**Underlying ISDA Rate**" means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent (as defined in the ISDA Definitions) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

- (a) the Floating Rate Option is as specified in the applicable Final Terms;
- (b) the Designated Maturity is a period specified in the applicable Final Terms; and
- (c) the relevant Reset Date is as specified in the applicable Final Terms.

For the purposes of these Underlying Interest Rate Security Conditions, "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

#### 3. Screen Rate Determination

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Underlying Interest Rate is to be determined, the Underlying Reference Rate will, subject as provided below, be either:

- (a) the offered quotation; or
- (b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Underlying Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Underlying Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Underlying Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

In the event that the Relevant Screen Page is not available or if, in the case of (a) above, no such offered quotation appears or, in the case of (b) above, fewer than three such offered quotations appear, in each case as at the Specified Time indicated above or in the applicable Final Terms, the Calculation Agent will determine the Underlying Reference Rate as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and using its reasonable judgment.

#### **4. Determination of Underlying Interest Rate**

The Calculation Agent will, on or as soon as practicable after each date on which the Underlying Interest Rate is to be determined, which if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, will be deemed to be a Scheduled Trading Day for the purposes of determining whether such day is a Hybrid Business Day (the "**Underlying Interest Determination Date**"), determine the Underlying Reference Rate (subject to any Minimum Underlying Reference Rate or Maximum Underlying Reference Rate specified in the applicable Final Terms). The Calculation Agent will notify the Principal Paying Agent of the Underlying Reference Rate as soon as practicable after calculating the same.

#### **5. Minimum and/or Maximum Underlying Reference Rate**

If the applicable Final Terms specifies a Minimum Underlying Reference Rate, then, in the event that the Underlying Reference Rate determined in accordance with the provisions of Underlying Interest Rate Security Conditions 2 or 3 above (as appropriate) is less than such Minimum Underlying Reference Rate, the Underlying Reference Rate shall be such Minimum Underlying Reference Rate.

If the applicable Final Terms specifies a Maximum Underlying Reference Rate, then, in the event that the Underlying Reference Rate determined in accordance with the provisions of Underlying Interest Rate Security Conditions 2 or 3 above (as appropriate) is greater than such Maximum Underlying Reference Rate, the Underlying Reference Rate shall be such Maximum Underlying Reference Rate.

## ANNEX 12

### ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES

If specified as applicable in the Final Terms, the terms and conditions applicable to Notes specified in the Final Terms as Credit Securities shall comprise the terms and conditions of Notes (the "**Conditions**") and the additional Terms and Conditions for Credit Securities set out below (the "**Credit Security Conditions**") together with any other additional terms and conditions specified in the Final Terms and subject to completion in the Final Terms. In the event of any inconsistency between (i) the Conditions and (ii) the Credit Security Conditions, the Credit Security Conditions shall prevail. A reference in these Credit Security Conditions to "the Final Terms" shall be construed as being a reference to the applicable Final Terms and for Credit Securities in respect of which more than one Reference Entity is specified, a reference to "the Reference Entity" shall be a reference to the applicable Reference Entity.

#### Part A

The provisions of this Part A apply in relation to Credit Securities unless the Final Terms of such Credit Securities specify that Part B of this Annex 12 shall apply.

#### 1. General

##### (a) Credit Terms

The Final Terms shall specify:

- (i) the Trade Date and the Scheduled Maturity Date;
- (ii) the type of Credit Securities, being Single Reference Entity Credit Securities, Nth-to-Default Credit Securities, Basket Credit Securities, Tranched Credit Securities and/or Combination Credit Securities;
- (iii) the Settlement Method (if not Auction Settlement) and, where Auction Settlement applies, the applicable Fallback Settlement Method;
- (iv) the Reference Entity or Reference Entities in respect of which a Credit Event may occur and, in each case, the related Transaction Type (if applicable, by way of reference to a Relevant Annex);
- (v) the Reference Obligation(s) (if any) in respect of each Reference Entity (if applicable, by specifying "Standard Reference Obligation: Applicable");
- (vi) the Reference Entity Notional Amount or, as applicable, Reference Entity Weighting in respect of each Reference Entity (save where such terms are set out in a Relevant Annex); and
- (vii) if the Notes are Combination Credit Securities, the relevant information in sub-paragraphs (ii) to (vi) above for each of: (a) provisions relating to interest; and (b) provisions relating to principal.

##### (b) Physical Settlement Matrix

Where a Transaction Type is specified in the Final Terms in respect of any Reference Entity, then the provisions of these Credit Security Conditions shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in the Final Terms.

##### (c) Relevant Annex

Where "Relevant Annex" is specified as applicable in the Final Terms, then notwithstanding Credit Security Condition 9 (*Successors*), Reference Entities for the purposes of the Credit Securities shall be as set out in such Relevant Annex (together with, in respect of each relevant Reference Entity, the Reference Entity Notional Amount (or, as applicable, the Reference Entity Weighting), Reference Obligations and Substitute Reference Obligations) as set out in the Final Terms, or, as applicable, as determined and published from time to time by the relevant Index Sponsor. The Calculation Agent may rely on any determinations of the relevant Index Sponsor and neither the Issuer nor the Calculation Agent will have any liability to the Holders or any other person as a result of relying on any such determination.

(d) Additional Provisions

If, in accordance with the specified Transaction Type or otherwise, any Additional Provisions are applicable, these Credit Security Conditions shall take effect subject to the provisions thereof.

**2. Redemption**

(a) Redemption absent Event Determination Date

The Issuer will redeem each Credit Security on the related Credit Security Maturity Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the Outstanding Principal Amount (as reduced from time to time in accordance with the definition thereof) of such Credit Security (together with interest, if any, payable thereon) unless the Credit Securities have been previously redeemed or purchased and cancelled in full (including pursuant to Credit Security Conditions 2(b), 2(d) or 2(e)).

Where the Outstanding Principal Amount of any Credit Security is reduced to zero, then upon the performance by the Issuer of any remaining obligations in respect of the Credit Security (including pursuant to Credit Security Condition 2(b) (*Redemption Following Event Determination Date*)), such Credit Security shall be deemed to have been redeemed in full without further payment. In the case of Tranched Credit Securities, redemption shall be in accordance with Credit Security Condition 5 (*Tranched Credit Securities*) below.

(b) Redemption following Event Determination Date

Upon the occurrence of an Event Determination Date in relation to any Reference Entity, the Issuer will:

- (i) if the applicable Settlement Method is Auction Settlement, make payment in respect of each Credit Security of its *pro rata* share of the Auction Settlement Amount on the Auction Settlement Date, unless a Fallback Settlement Event occurs, in which event the Issuer shall perform its respective payment and/or delivery obligations in accordance with the applicable Fallback Settlement Method;
- (ii) if the applicable Settlement Method is Physical Settlement, perform its obligations in respect of each Credit Security in accordance with Credit Security Condition 7; and
- (iii) if the applicable Settlement Method is Cash Settlement, make payment in respect of each Credit Security of its *pro rata* share of the Credit Event Cash Settlement Amount on the Cash Settlement Date.

Where the applicable Settlement Method is Auction Settlement, if an Event Determination Date occurs with respect to a Reference Entity following the occurrence of a Fallback Settlement Event with respect to a prior Event Determination Date in relation to such Reference Entity and no Fallback Settlement Event occurs with respect to a subsequent Event Determination Date, the Issuer shall, if it so elects on or prior to a related Valuation Date or Delivery Date, redeem the Credit Securities pursuant to the occurrence of the subsequent Event Determination Date in accordance with this Credit Security Condition 2(b) by Auction Settlement.

(c) Settlement at Maturity

Where "Settlement at Maturity" is specified as applicable, payment of any Outstanding Principal Amount, Auction Settlement Amounts or Credit Event Cash Settlement Amounts, as applicable, shall be deferred until the later of the Credit Security Maturity Date and the last Auction Settlement Date or Cash Settlement Date determined in respect of any Reference Entity (and notwithstanding any other provision of the Conditions or these Credit Security Conditions, no interest shall accrue on any payment of any amount which is so deferred).

(d) Redemption following a Merger Event

If this Credit Security Condition 2(d) is specified as applicable in the Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Holders in accordance with Condition 17, and redeem all but not some only of the Credit Securities on the Merger Event Redemption Date, and if the Credit Securities are so redeemed or, as the case may be, cancelled, the Issuer shall pay an amount to each Holder in respect of each Credit Security, which amount shall be the fair market value of such Credit Security taking into account the Merger Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (including without limitation any Credit Unwind Costs), all as determined by the Calculation Agent in a commercially reasonable manner.

(e) Additional Credit Linked Note Disruption Events

If the Calculation Agent determines that an Additional Credit Linked Note Disruption Event has occurred, the Issuer may redeem the Credit Securities by giving notice to Holders in accordance with Condition 17. If the Credit Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Credit Security equal to the fair market value of such Credit Security taking into account the Additional Credit Linked Note Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Calculation Agent in a commercially reasonable manner.

(f) Suspension of Obligations

If there is a DC Credit Event Question in relation to any Reference Entity, then (unless the Issuer otherwise elects by notice to the Calculation Agent and the Holders) from the date of such DC Credit Event Question (and notwithstanding that the relevant Credit Derivatives Determinations Committee has yet to determine whether Publicly Available Information is available or that a Credit Event has occurred), any obligation of the Issuer to redeem any Credit Security (including pursuant to Credit Security Condition 2(b) (*Redemption following Event Determination Date*)) (and the timing requirements of the Cash Settlement Date, Valuation Date, Relevant Valuation Date, NOPS Cut-off Date, Physical Settlement Period and any other provisions pertaining to settlement) insofar as it relates to the relevant Reference Entity, or pay any amount of interest which would otherwise be due thereon or any obligation of the Calculation Agent to calculate any amount of interest (in each case, regardless of whether any such interest relates to the relevant Reference Entity), shall, insofar as it relates to the relevant Reference Entity, be and remain suspended until the date of the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal.

During such suspension period, the Issuer shall not be obliged to, nor entitled to, take any action in connection with the redemption of the Credit Securities, in each case insofar as they relate to the relevant Reference Entity, or in connection with the payment of any applicable interest on the Credit Securities, nor, if the Final Terms specifies that "Calculation and Settlement Suspension" applies, shall the Calculation Agent be obliged to take any action in connection with the calculation of any amount of interest (in each case, if the Final Terms specifies that "Calculation and Settlement Suspension" applies, regardless of whether any such interest relates to the relevant Reference Entity). Once the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal has occurred, such suspension shall terminate and any

obligations so suspended shall resume on the Credit Security Business Day following such public announcement by ISDA, with the Issuer and, as the case may be, the Calculation Agent having the benefit of the full day notwithstanding when the suspension began. Any amount of interest so suspended shall, subject always to Credit Security Condition 3(a), become due on a date selected by the Calculation Agent falling not later than fifteen Business Days following such public announcement by ISDA.

For the avoidance of doubt, no interest shall accrue on any payment of interest or any other amounts which are deferred in accordance with this Credit Security Condition 2(f).

(g) Miscellaneous provisions relating to Redemption

If the Credit Securities are partially redeemed, the relevant Credit Securities or, if the Credit Securities are represented by a Global Security, such Global Security, shall be endorsed to reflect such partial redemption. Upon such partial redemption, the Outstanding Principal Amount of each Credit Security shall be reduced for all purposes (including accrual of interest thereon but without duplication with any cessation of interest accrual pursuant to Credit Security Condition 3(a)) accordingly.

Redemption of any Credit Security in accordance with this Credit Security Condition 2, together with payment of interest, if any, due thereon shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

**3. Interest**

(a) Cessation of Interest Accrual

In the case of Credit Securities which are specified in the Final Terms to bear interest, such interest shall accrue on the Outstanding Principal Amount of each Credit Security from time to time. Upon the occurrence of an Event Determination Date in respect of any Reference Entity, the Outstanding Principal Amount of each Credit Security shall, for the purposes of the calculation of accrual of interest thereon, be deemed to have been reduced in an amount equal to such Credit Security's *pro rata* share of the relevant Reference Entity Notional Amount (or, in the case of Tranched Credit Securities, of the corresponding Writedown Amount) with effect from and including:

(i) either:

(A) the Interest Payment Date; or

(B) if so specified in the Final Terms, the Interest Period End Date,

immediately preceding such Event Determination Date (or, in the case of the first Interest Period, the Interest Commencement Date); or

(ii) if so specified in the Final Terms, such Event Determination Date.

(b) Interest following Scheduled Maturity

Subject always to Credit Security Condition 3(a), if an Extension Notice has been given (other than pursuant to paragraph (d) of the definition of "Extension Notice"), each Credit Security which is outstanding following the Scheduled Maturity Date shall continue to bear interest on its daily Outstanding Principal Amount from (and including) the Scheduled Maturity Date to (but excluding) the related Credit Security Maturity Date at a rate of interest equal to either:

(i) the rate that BNP Paribas would pay to an independent customer in respect of overnight deposits in the currency of the Credit Securities; or

- (ii) such other rate as shall be specified for such purpose in the Final Terms.

For the avoidance of doubt, if an Extension Notice has been given pursuant to paragraph (d) of the definition thereof, no interest shall accrue from (and including) the Scheduled Maturity Date to (but excluding) the related Credit Security Maturity Date.

(c) Interest Payment Dates

If the Credit Securities are redeemed pursuant to the Conditions or these Credit Security Conditions, the Scheduled Maturity Date, the Credit Security Maturity Date (if not the Scheduled Maturity Date), the last Auction Settlement Date, the last Cash Settlement Date or the last Delivery Date, as the case may be, shall be an Interest Payment Date in respect of each Credit Security and the Issuer shall pay any interest that is accrued and unpaid in respect of each Credit Security on such Interest Payment Date.

**4. Nth-to-Default Credit Securities**

Where the Credit Securities are Nth-to-Default Credit Securities, an Event Determination Date shall not be taken into account for the purposes of Credit Security Conditions 2 (*Redemption*) and 3 (*Interest*) unless and until the number of Reference Entities in respect of which an Event Determination Date has occurred is equal to N. Unless "Multiple Default Trigger" is specified as applicable in the Final Terms, with effect from such date, no Event Determination Date shall occur in respect of any other relevant Reference Entity. Where "Multiple Default Trigger" is specified as applicable, the provisions of Credit Security Conditions 2 (*Redemption*) and 3 (*Interest*) shall apply in respect of every subsequent Event Determination Date until the number of Reference Entities in respect of which an Event Determination Date has occurred is equal to M.

**5. Tranched Credit Securities**

The following provisions shall apply in respect of Credit Securities that are Tranched Credit Securities. For clarification, in respect of such Credit Securities, in the event of any inconsistency between the following and the remainder of the Credit Security Conditions, the following shall prevail.

- (i) Unless the Credit Securities have been previously redeemed or purchased and cancelled in full (including pursuant to any Credit Security Condition), the Issuer will redeem each Tranched Credit Security on the Credit Security Maturity Date by payment of an amount equal to the Outstanding Principal Amount of such Credit Security (together with interest, if any, payable thereon) plus its pro rata share of the Aggregate Incurred Recovery Amount, provided that (unless Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or the Final Price is specified in the Final Terms) if an Unsettled Credit Event has occurred, (A) a Redemption Preliminary Amount will be payable on the Credit Security Maturity Date and a Redemption Residual Amount will be payable on the Final Settlement Date, and (B) the Aggregate Incurred Recovery Amount (if any) in respect of each Tranched Credit Security shall be payable on the Final Settlement Date instead of the Credit Security Maturity Date. For the avoidance of doubt, no interest shall accrue or be payable in respect of any Aggregate Incurred Recovery Amount or any payment or postponement of payment thereof.
- (ii) If the Outstanding Principal Amount of any Tranched Credit Security is reduced to zero, such Credit Security will be redeemed in full by payment of an amount equal to its *pro rata* share of the Aggregate Incurred Recovery Amount (if any) on the Final Settlement Date, and, for the avoidance of doubt, no interest shall accrue or be payable in respect of any Aggregate Incurred Recovery Amount or any payment or postponement of payment thereof) and the Issuer shall have no further obligations in respect of such Credit Security.

- (iii) Credit Security Condition 3(b) (*Interest following Scheduled Maturity*) shall not apply, and no interest shall accrue from (and including) the Scheduled Maturity Date. No interest shall be payable in respect of any postponement of the payment of any interest, redemption amount, Auction Settlement Amount, Credit Event Cash Settlement Amount or any other amounts.
- (iv) If the Calculation Agent determines in relation to any Reference Entity:
  - (A) without prejudice to the sub-paragraphs below, that a Credit Event has occurred or may occur on or prior to any Interest Payment Date;
  - (B) that a Potential Failure to Pay has occurred or may occur on or prior to any Interest Payment Date;
  - (C) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to any Interest Payment Date;
  - (D) that a Credit Event Resolution Request Date has occurred or may occur on or prior to any Interest Payment Date; or
  - (E) (unless Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or the Final Price is specified in the Final Terms) that an Unsettled Credit Event has occurred,

then interest (if any) on such Tranching Credit Security shall be deemed to cease to accrue on an Outstanding Principal Amount equal to its pro rata share of the sum of the maximum Incurred Loss Amounts and maximum Incurred Recovery Amounts which could be determined (assuming an Auction Final Price, Weighted Average Final Price or Final Price of zero) (a "**Deemed Interest Reduction**") with effect from and including the Interest Period End Date (or, if none, the Interest Commencement Date) immediately preceding the date of such determination or (in the case of the occurrence of an Unsettled Credit Event) the relevant date applicable pursuant to Credit Security Condition 3(a) (*Cessation of Interest Accrual*). In such case, the related Interest Shortfall Amount (if any) shall be payable on the related Interest Shortfall Payment Date. No interest shall be payable in respect of any such postponement of payment of any Interest Shortfall Amount or any other interest or other amounts.

- (v) If any day is a Final Price Calculation Date with respect to more than one Reference Entity, the Loss Amount, the Recovery Amount, the Incurred Loss Amount and the Incurred Recovery Amount (if applicable) with respect to each Reference Entity shall be calculated in the order that either of the following events occurred with respect to such Reference Entities: (i) the Credit Event Resolution Request Date (provided that if a Credit Event Resolution Request Date occurs in respect of more than one such Reference Entity on the same day, the first Reference Entity in respect of which the DC Secretary announces that the relevant DC Credit Event Question was effective and the relevant Credit Derivatives Determinations Committee was in possession of the relevant Publicly Available Information, in each case in accordance with the "Credit Event Resolution Request Date" definition, shall be deemed to have satisfied this condition first) or (ii) the delivery of the Credit Event Notice (provided that if any of the relevant Credit Event Notices are delivered at the same time, in a sequential order as determined by the Calculation Agent).

## 6. Combination Credit Securities

Where the Notes are Combination Credit Securities, amounts payable in respect of interest thereon and by way of redemption thereof (including, for clarification, pursuant to the occurrence of a Credit Event), and the dates on which such amounts fall to be paid, will be calculated:

- (i) in the case of interest, as though the Notes were of the type specified in the Final Terms under the heading "Credit-linked Interest Type" and as further specified in the Final Terms under the heading "Terms relating to Credit Linked Interest"; and
- (ii) in the case of amounts payable on redemption of the Notes, as though the Notes were of the type specified in the Final Terms under the heading "Credit-linked Principal Type" and as further specified in the Final Terms under the heading "Terms relating to Credit Linked Principal".

Where the Notes are subject to redemption in full in circumstances where, pursuant to the above, further amounts are or may be payable subsequently in respect of interest thereon, then, only to the extent required by the terms of any relevant clearing system in order to permit payment of such interest, each Note shall be deemed to remain outstanding in an amount equal to one unit of the Specified Currency. No payment shall be made in respect of such outstanding amount, and each Note which is deemed to be outstanding on such basis shall be cancelled in full on the last date for payment of interest thereon.

## **7. Physical Settlement**

### **(a) Delivery and payment**

If Physical Settlement applies to any Credit Security, then, upon the occurrence of an Event Determination Date, the Issuer shall, on or prior to the related Physical Settlement Date and subject to Credit Security Conditions 7(b), 7(c) and 7(f), redeem such Credit Security in full (or, where such Credit Security is a Basket Credit Security, in part, in an Outstanding Principal Amount corresponding to such Credit Security's *pro rata* share of the relevant Reference Entity Notional Amount), respectively, by:

- (a) Delivering a *pro rata* share of the Deliverable Obligations specified in the related Notice of Physical Settlement or NOPS Amendment Notice, as applicable; and
- (b) paying such Credit Security's *pro rata* portion of the related Physical Settlement Adjustment Rounding Amount.

### **(b) Partial Cash Settlement Due to Impossibility or Illegality**

If, due to an event beyond the control of the Issuer, it is impossible or illegal for the Issuer to Deliver or, due to an event beyond the control of the Issuer or any Holder, it is impossible or illegal for the Issuer or the relevant Holder to accept Delivery of any of the Deliverable Obligations (other than a Deliverable Obligation described in paragraph (d) of the definition of "Deliverable Obligation") specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the related Physical Settlement Date, then on such date the Issuer shall Deliver any of the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, for which it is possible and legal to take Delivery. If any Undeliverable Obligations have not been delivered on or prior to the Latest Permissible Physical Settlement Date, then Partial Cash Settlement shall apply with respect to such Undeliverable Obligations and, accordingly, the Issuer shall pay the relevant Holders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the relevant Holders on the Partial Cash Settlement Date.

### **(c) Non-Delivery of Deliverable Obligations**

If the Issuer does not Deliver any Deliverable Obligation specified in a Notice of Physical Settlement or NOPS Amendment Notice, as applicable, other than as a result of an event or circumstance contemplated in Credit Security Condition 7(b) above (including following the occurrence of a Hedge Disruption Event), such failure shall not constitute an Event of Default or breach of agreement for the purpose of the Notes and the Issuer may continue to attempt to Deliver the Deliverable Obligations that are Bonds or Loans until the Extended Physical Settlement Date.

If, as at the relevant Extended Physical Settlement Date, any such Deliverable Obligations have not been Delivered, then Partial Cash Settlement shall apply with respect to such Deliverable Obligations and the Issuer shall pay to the Holders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the Holders on the Partial Cash Settlement Date.

(d) Aggregation and Rounding

Where a Holder holds Credit Securities in an Outstanding Principal Amount (in the case of Partly Paid Notes, to the extent paid-up) greater than the Specified Denomination, the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of the Credit Securities of such Holder shall be aggregated for the purposes of this Credit Security Condition 7. If the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of each Credit Security to be redeemed pursuant to this Credit Security Condition 7(d) on any occasion is not equal to an authorised denomination (or integral multiple thereof) of such Deliverable Obligations then the Outstanding Principal Balance of Deliverable Obligations to be Delivered will be rounded down to the nearest authorised denomination or multiple thereof, or, if none, to zero. In such circumstances, the Deliverable Obligations that were not capable of being Delivered shall, if and to the extent practicable, be sold by the Issuer or such other agent as may be appointed by the Issuer for such purpose and, if they are so sold, the Issuer shall make payment in respect of each Credit Security in an amount equal to its *pro rata* share of the related net sale proceeds as soon as reasonably practicable following receipt thereof.

(e) Delivery and Fees

The Delivery of any of the Deliverable Obligations pursuant to the provisions of this Credit Security Condition 7 shall be made in such manner as the Issuer shall determine in a commercially reasonable manner, to be appropriate for such Delivery. Subject as set out in the definition of "Deliver":

- (i) any recordation, processing or similar fee reasonably incurred by the Issuer and/or any of its Affiliates and payable to the agent under a Loan in connection with an assignment or novation (where Deliverable Obligations include Assignable Loans or Consent Required Loans) or participation (where Deliverable Obligations include Direct Loan Participations) shall be payable by the relevant Holders, and if any Stamp Tax or transaction tax is payable in connection with the Delivery of any Deliverable Obligations, payment thereof shall be made by the relevant Holders; and
- (ii) any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Holders or the Issuer, as appropriate, determined by the Calculation Agent in accordance with then current market conventions.

Delivery and/or transfer of the Deliverable Obligations shall be delayed until all expenses relating to such Delivery or transfer payable by the Holders have been paid to the satisfaction of the Issuer.

(f) Asset Transfer Notice

A Holder will not be entitled to any of the amounts or assets specified as being due to it in this Credit Security Condition 7 upon the occurrence of an Event Determination Date and delivery of the Notice of Physical Settlement unless it has presented or surrendered (as is appropriate) the relevant Credit Security and delivered an Asset Transfer Notice in accordance with Condition 7(b)(i)(*Physical Delivery*). For so long as the Credit Securities are held in any clearing system, any communication from such clearing system on behalf of the Holder containing the information required in an Asset Transfer Notice will be treated as an Asset Transfer Notice. For as long as Bearer Securities are represented by a Global Security, surrender of Credit Securities for such purpose will be effected by presentation of the Global Security and its endorsement to note the Outstanding Principal Amount of Credit Securities to which the relevant Asset Transfer Notice relates.

**8. Provisions relating to Obligation Category and Characteristics and Deliverable Obligation Category and Characteristics**

(a) Obligation Characteristics

If either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the related Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

(b) Deliverable Obligation Category and Characteristics

If:

- (i) any of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the related Final Terms or is applicable in respect of the applicable Transaction Type, such Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds;
- (ii) the Deliverable Obligation Characteristic "Transferable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans;
- (iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans; and
- (iv) more than one of "Assignable Loan", "Consent Required Loan" and "Direct Loan Participation" are specified in the Final Terms as Deliverable Obligation Characteristics or is applicable in respect of the applicable Transaction Type, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

(c) Relevant Guarantee

If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:

- (i) For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to be described by the same category or categories as those that describe the Underlying Obligation.
- (ii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the Final Terms or applicable in respect of the relevant Transaction Type from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law".
- (iii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the

applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the Final Terms or applicable in respect of the relevant Transaction Type from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated or Matured" and "Not Bearer".

- (iv) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.
- (v) For the avoidance of doubt the provisions of this Credit Security Condition 7 apply in respect of the definitions of "Obligation" and "Deliverable Obligation" as the context admits.

(d) Maximum Maturity

For purposes of the application of the Deliverable Obligation Characteristic "Maximum Maturity", remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.

(e) Financial Reference Entity Terms and Governmental Intervention

If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in respect of a Reference Entity, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.

(f) Prior Deliverable Obligation or Package Observable Bond

For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Security Condition 11(b) (Mod R) and Credit Security Condition 11(c) (Mod Mod R) to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.

(g) Subordinated European Insurance Terms

If "Subordinated European Insurance Terms" is specified as applicable in respect of the Reference Entity, if an obligation would otherwise satisfy the "Maximum Maturity" Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

(h) Accrued Interest

With respect to any Credit Securities for which:

- (i) "Physical Settlement" is specified to be the Settlement Method in the related Final Terms (or for which Physical Settlement is applicable as the Fallback Settlement Method), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless "Include Accrued Interest" is specified in the related Final Terms, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest;

- (ii) "Cash Settlement" is specified to be the Settlement Method in the related Final Terms (or if Cash Settlement is applicable as the Fallback Settlement Method), and:
  - (A) "Include Accrued Interest" is specified in the related Final Terms, the Outstanding Principal Balance of the Reference Obligation or Valuation Obligation, as applicable, shall include accrued but unpaid interest;
  - (B) "Exclude Accrued Interest" is specified in the related Final Terms, the Outstanding Principal Balance of the Reference Obligation or Valuation Obligation, as applicable, shall not include accrued but unpaid interest; or
  - (C) neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the related Final Terms, the Calculation Agent shall determine based on the then current market practice in the market of the Reference Obligation or Valuation Obligation, as applicable, whether the Outstanding Principal Balance of the Reference Obligation or Valuation Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or
- (iii) Credit Security Condition 7(b) (Partial Cash Settlement Due to Impossibility or Illegality) or Credit Security Condition 7(c) (Non-Delivery of Deliverable Obligations) is applicable, the Calculation Agent shall determine, based on the then current market practice in the market of the relevant Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation, whether such Quotations shall include or exclude accrued but unpaid interest.

(i) Asset Package Delivery

"**Asset Package Delivery**" will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, or (ii) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

If the "Sovereign No Asset Package Delivery Supplement" is applicable in respect of a Reference Entity, then, notwithstanding the above, it shall be deemed that no Package Observable Bond exists with respect to such Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA) and accordingly, Asset Package Delivery shall not apply thereto.

**9. Successors**

(a) Provisions for determining a Successor

- (i) Subject as set out in Credit Security Condition 1(c) (*Relevant Annex*), the Calculation Agent may determine, following any succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) and with effect from the Succession Date, any Successor or Successors under the definition of "Successor"; provided that the Calculation Agent will not make such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made under the definition of "Successor" (or the provisions relating to the determination of a Successor) on the basis of Eligible Information.

In calculating the percentages used to determine whether an entity qualifies as a Successor under the definition of "Successor", if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

- (ii) An entity may only be a Successor if:
  - (I) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;
  - (II) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and
  - (III) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.
- (iii) In the case of an exchange offer, the determination required pursuant to the definition of "Successor" shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.
- (iv) If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

(b) Single Reference Entity

Where the Credit Securities are Single Reference Entity Credit Securities and a Succession Date has occurred and more than one Successor has been identified, each such Credit Security will be deemed for all purposes to have been divided, with effect from the Succession Date, into the same number of new Credit Securities as there are Successors with the following terms:

- (i) each Successor will be a Reference Entity for the purposes of one of the deemed new Credit Securities;
- (ii) in respect of each deemed new Credit Security, the Reference Entity Notional Amount will be the Reference Entity Notional Amount applicable to the original Reference Entity divided by the number of Successors; and
- (iii) all other terms and conditions of the original Credit Securities will be replicated in each deemed new Credit Security except that the Calculation Agent shall make such modifications as it determines are required in order to preserve the economic effects of the original Credit Securities in the deemed new Credit Securities (considered in aggregate).

(c) Nth-to-Default

Where the Credit Securities are Nth-to-Default Credit Securities:

- (i) where a Succession Date has occurred in respect of a Reference Entity (other than a Reference Entity in respect of which a Credit Event has occurred) and more than one Successor has been identified, each such Credit Security will be deemed for all purposes to have been divided, with effect from the Succession Date, into a number of new Credit Securities equal to the number of Successors. Each such new Credit Security shall include a Successor and each and every one of the unaffected Reference Entities and the provisions of Credit Security Condition 9(b)(i) to (iii) (inclusive) shall apply thereto;
- (ii) if "Substitution" is specified as not being applicable in the Final Terms, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to the Succession Date) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a Succession Date, such Surviving Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity; and
- (iii) if "Substitution" is specified as being applicable in the Final Terms, where the Surviving Reference Entity (other than a Reference Entity that is subject to the Succession Date) would be a Successor to a Legacy Reference Entity pursuant to a Succession Date:
  - (A) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and
  - (B) the Replacement Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity.

(d) Basket Credit Securities and Tranched Credit Securities

Where the Credit Securities are Basket Credit Securities or Tranched Credit Securities, and one or more Successors have been identified in respect of a Reference Entity that has been the subject of a related Succession Date (the "**Affected Entity**"), then, with effect from the Succession Date:

- (i) the Affected Entity will no longer be a Reference Entity (unless it is a Successor as described in (ii) below);
- (ii) each Successor will be deemed a Reference Entity (in addition to each Reference Entity which is not an Affected Entity);
- (iii) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity divided by the number of Successors;
- (iv) the Calculation Agent may make any modifications to the terms of the Credit Securities which it determines may be required to preserve the economic effects of the Credit Securities prior to the Succession Date (considered in the aggregate); and
- (v) for the avoidance of doubt, a Reference Entity may, as a result of a Succession Date, be represented by multiple Reference Entity Notional Amounts for the Successor(s) of such Reference Entity.

## 10. Provisions relating to LPN Reference Entities and CoCo Supplement

### (a) LPN Reference Entities

The following provisions shall apply if the relevant Final Terms provide that "LPN Reference Entity" is applicable:

- (i) Multiple Holder Obligation will not be applicable with respect to any Reference Obligation and any Underlying Loan;
- (ii) each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Security Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (iii) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Security Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (iv) for the avoidance of doubt, with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the outstanding principal balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation; and
- (v) the "Not Subordinated" Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.

### (b) Provisions relating to CoCo Supplement

The following provisions shall apply in respect of a Reference Entity if the "CoCo Supplement" is applicable:

- (i) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention falling within paragraph (a) of the definition thereof.
- (ii) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes.
- (iii) The following terms shall have the following meanings:

**"Coco Provision"** means, with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

**"Trigger Percentage"** means the trigger percentage specified in respect of the Reference Entity (or if no such trigger percentage is specified, 5.25 per cent.).

**"Capital Ratio"** means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

## 11. Restructuring Credit Event

### (a) Multiple Credit Event Notices

Upon the occurrence of an M(M)R Restructuring with respect to a Reference Entity:

- (i) the Calculation Agent may deliver multiple Credit Event Notices with respect to such M(M)R Restructuring, each such notice setting forth the amount of the relevant Reference Entity Notional Amount to which such notice applies (the "**Exercise Amount**") provided that if the Credit Event Notice does not specify an Exercise Amount, the then outstanding Reference Entity Notional Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;
- (ii) the provisions of these Credit Security Conditions (including, without limitation, as to the determination of any Auction Settlement Amount, Credit Event Cash Settlement Amount and Loss Amount) shall be deemed to apply to an aggregate Outstanding Principal Amount of Credit Securities equal to the Exercise Amount only and all the provisions shall be construed accordingly; and
- (iii) the Exercise Amount in connection with a Credit Event Notice describing an M(M)R Restructuring must be an amount that is at least 1,000,000 units of the Specified Currency (or, if Japanese Yen, 100,000,000 units) in which the Reference Entity Notional Amount is denominated or any integral multiple thereof or the entire relevant Reference Entity Notional Amount.

If any Credit Security is subject to partial redemption in accordance with this Credit Security Condition 11, the relevant Credit Security or, if the Credit Securities are represented by a Global Security, such Global Security shall be endorsed to reflect such partial redemption.

### (b) Mod R

If (i) "Physical Settlement" or "Cash Settlement" is specified to be the Settlement Method in the related Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod R" is specified as applicable in respect of the Reference Entity and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation or, as applicable, Valuation Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation or, as applicable, Valuation Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice or selected by the Issuer to form part of the related Valuation Obligations Portfolio, as applicable, if such Deliverable Obligation or, as applicable, Valuation Obligation:

- (A) is a Fully Transferable Obligation; and
- (B) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date,

in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, as of the Relevant Valuation Date.

### (c) Mod Mod R

If (i) "Physical Settlement" or "Cash Settlement" is specified to be the Settlement Method in the related Final Terms (or is applicable as the Fallback Settlement Method), (ii) "Mod Mod R" is specified as applicable in respect of the Reference Entity and (iii) Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation or, as applicable, Valuation Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation or, as applicable, Valuation Obligation may only be specified (or deemed specified) in the Notice of Physical Settlement or in any NOPS Amendment Notice or selected by the Issuer to form part of the related Valuation

Obligations Portfolio, as applicable, if it (A) is a Conditionally Transferable Obligation and (B) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, as of the Relevant Valuation Date. Notwithstanding the foregoing, for purposes of this paragraph, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

If the relevant Deliverable Obligation specified in the Notice of Physical Settlement (or in any NOPS Amendment Notice, as applicable) or, as applicable, the relevant Valuation Obligation selected, is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer and the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date or, as applicable, the Relevant Valuation Date (in which case it shall be deemed to have been refused), the Issuer shall, as soon as reasonably practicable, notify the relevant Holders of such refusal (or deemed refusal) and:

- (i) each such Holder may designate a third party (which may or may not be an Affiliate of such Holder) to take Delivery of the Deliverable Obligation on its behalf; and
- (ii) if a Holder does not designate a third party that takes Delivery on or prior to the date which is three Credit Security Business Days after the Physical Settlement Date, then the Issuer will redeem the Credit Securities for which Delivery has not occurred, by payment of the relevant Partial Cash Settlement Amount to such Holder. For the avoidance of doubt Credit Security Condition 7(b) will not apply to this paragraph.

(d) General Terms relating to Mod R and Mod Mod R

For the purposes of making a determination pursuant to "Mod R" and "Mod Mod R", final maturity date shall, subject to Credit Security Condition 11(c) (Mod Mod R), be determined on the basis of the terms of the Deliverable Obligation or, as applicable, Valuation Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation or, as applicable, Valuation Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

(e) Multiple Holder Obligations

Notwithstanding anything to the contrary in the definition of "Restructuring" and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraph (a)(i) to (a)(v) (inclusive) thereof shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation, provided that any obligation that is a Bond shall be deemed to satisfy the requirements of sub-paragraph (b) of the definition of "Multiple Holder Obligation".

## 12. Miscellaneous Provisions relating to Credit Securities

(a) Determinations of the Calculation Agent

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Credit Security Conditions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor (if applicable) and the Holders. Unless otherwise expressly stated, the Calculation Agent is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation.

If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Securities including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor (if applicable) shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

(b) Reversal of DC Resolutions

If, where a calculation or determination with respect to the Credit Securities has been made by the Calculation Agent in reliance upon a DC Resolution or otherwise resulted from a DC Resolution, ISDA publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution, such reversal will be taken into account for the purposes of any subsequent calculations, provided that the ISDA public announcement occurs prior to the DC Resolution Reversal Cut-off Date (or where redeemed in part, save to the extent of any such redemption). The Calculation Agent, acting in a commercially reasonable manner, will make any adjustment to any future payments as are required to take account of such reversal, including any payment of additional interest or any reduction in any interest or any other amount payable under the Credit Securities. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

(c) Change in Standard Terms and Market Conventions

The Calculation Agent, acting reasonably, may (but shall not be obligated to) modify these Credit Security Conditions from time to time with effect from a date designated by the Calculation Agent to the extent reasonably necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of leading dealers in the credit derivatives market or any relevant ISDA committee, a market-wide protocol, any applicable law or regulation or the rules of any applicable exchange or clearing system, applicable to any Notional Credit Derivative Transaction or Hedge Transaction entered into prior to such date or terms thereof. The Calculation Agent shall notify the Issuer and the Holders as soon as reasonably practicable upon making any such determination. For the avoidance of doubt, the Calculation Agent may not, without the consent of the Issuer, amend, pursuant to this Credit Security Condition 12(c) any of the terms and conditions of the Credit Securities other than the Credit Security Conditions.

In particular, the Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions ("**Successor Provisions**") which are published by ISDA and which supersede the 2014 ISDA Credit Derivatives Definitions, for the purposes of credit derivatives transactions generally (including with respect to transactions which are entered into prior to the relevant date of publication and which are outstanding as of that date) and/or may apply and rely on determinations of the Credit Derivatives Determinations Committee made in respect of a relevant Reference Entity under any such Successor Provisions notwithstanding any discrepancy between the terms of such Successor Provisions and these Credit Security Conditions.

This Credit Security Condition 12(c) shall apply unless the related Final Terms specifies that "Change in Standard Terms and Market Conventions" is not applicable.

(d) Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice or Notice of Publicly Available Information from the Calculation Agent, the Issuer shall promptly inform, or shall procure that the Calculation Agent informs the Holders in accordance with Condition 17 (*Notices*) provided that any failure or delay in giving such notice to Holders shall not affect the rights of the Issuer in relation thereto. Resolutions of the

Credit Derivatives Determinations Committee are, as of the date hereof, available on ISDA's website ([www.isda.org](http://www.isda.org)) (or any successor website thereto).

(e) Effectiveness of Notices

Any notice referred to in Credit Security Condition 11(d) above which is delivered on or prior to 5.00 p.m. (London time) on a London Business Day is effective on such date and if delivered after such time or on a day that is not a London Business Day, is deemed effective on the next following London Business Day.

A notice given by telephone by the Issuer or the Calculation Agent will be deemed to have been delivered at the time the telephone conversation takes place.

(f) Excess Amounts

If, on a Business Day, the Calculation Agent reasonably determines that an Excess Amount has been paid to Holders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Holders in accordance with Condition 17, the Issuer may deduct any such Excess Amount from future payments in relation to the Credit Securities (whether interest or principal) or may reduce the amount of any assets deliverable under the terms of the Credit Securities to the extent that it determines, acting reasonably, to be necessary to compensate for such Excess Amount.

(g) Provisions Relating to Timing

Subject to Credit Security Condition 12(e) and Credit Security Condition 12(h), in order to determine the day on which an event occurs for purposes of the Credit Security Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

(h) Payment Timing

Notwithstanding the "Credit Event Notice" definition and Credit Security Condition 12(g) (Provisions Relating to Timing), if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

(i) Business Day Convention

If the last day of any period calculated by reference to calendar days falls on a day that is not a Business Day, such last day shall be subject to adjustment in accordance with the applicable Business Day Convention; provided that if the last day of any period is the Credit Event Backstop Date or the Successor Backstop Date, such last day shall not be subject to any adjustment in accordance with any Business Day Convention.

(j) No Frustration

In the absence of other reasons, the Credit Securities will not be considered frustrated, or otherwise void or voidable (whether for mistake or otherwise) solely because:

- (i) the Reference Entity does not exist on, or ceases to exist on or following, the Trade Date; and/or
- (ii) Obligations, Deliverable Obligations or the Reference Obligation do not exist on, or cease to exist on or following, the Trade Date

- (k) Rounding

Any amount payable under these Credit Security Conditions shall be rounded downwards to the nearest sub-unit of the relevant currency.

### 13. Definitions

In these Credit Security Conditions:

**"Accelerated or Matured"** means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

**"Additional Credit Linked Note Disruption Event"** means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified as applying in the Final Terms.

**"Additional LPN"** means any LPN issued by an LPN Issuer for the sole purpose of providing funds for the LPN Issuer to provide financing to the Reference Entity via an:

- (a) Underlying Loan; or
- (b) Underlying Finance Instrument,

provided that:

- (i) either:
  - (i) in the event that there is an Underlying Loan with respect to such LPN, the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity; or
  - (ii) in the event that there is an Underlying Finance Instrument with respect to such LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics;
- (ii) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currencies – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and
- (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of holders of the LPNs.

**"Additional Obligation"** means each of the obligations listed as an Additional Obligation of the Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>.

**"Additional Provisions"** means any additional provisions from time to time published by ISDA for use in the over-the-counter credit derivatives market and specified as applicable in relation to a Reference Entity which may include:

- (a) the Additional Provisions for Physically Settled Default Swaps - Monoline Insurer as Reference Entity, as published by ISDA on 21 January 2005; or
- (b) any other provisions specified in relation to such Reference Entity.

**"Affected Entity"** has the meaning given to such term in Credit Security Condition 9(d) above.

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

**"Aggregate Incurred Recovery Amount"** means, in respect of Tranching Credit Securities and any date, an amount (subject to a minimum of zero) equal to (a) the aggregate of any Incurred Recovery Amounts calculated with respect to all Reference Entities up to and including such date, minus (b) the sum of all Aggregate Credit Unwind Costs (for the avoidance of doubt, without double counting).

**"Aggregate Loss Amount"** means, in respect of Tranching Credit Securities and any date, the aggregate of all Loss Amounts calculated with respect to all Reference Entities up to and including such date.

**"Aggregate Recovery Amount"** means, in respect of Tranching Credit Securities and any date, the aggregate of all Recovery Amounts calculated with respect to all Reference Entities up to and including such date.

**"Aggregate Credit Unwind Costs"** has the meaning given to such term in the definition of "Credit Unwind Costs".

**"Asset"** means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realized or capable of being realized in circumstances where the right and/or other asset no longer exists).

**"Asset Market Value"** means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

**"Asset Package"** means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

**"Asset Package Credit Event"** means:

- (a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in respect of the Reference Entity:
  - (i) a Governmental Intervention; or
  - (ii) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in respect of the Reference Entity and such Restructuring does not constitute a Governmental Intervention; and
- (b) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in respect of the Reference Entity, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

**"Assignable Loan"** means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction or organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent, and if specified as applicable to a Deliverable Obligation Category, the Assignable Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Loans.

**"Attachment Point"** means, in respect of Tranche Credit Securities, the value specified as such in the Final Terms.

**"Auction"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Cancellation Date"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Covered Transaction"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Final Price"** has the meaning set forth in the Transaction Auction Settlement Terms or the Parallel Auction Settlement Terms identified by the Issuer in the Auction Settlement Amount Notice.

**"Auction Final Price Determination Date"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Settlement Amount"** means, in relation to any Reference Entity, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Auction Settlement Amount} = \text{Max} (\text{PP}, \text{Max} [0, \text{Min} (\text{A}, [(A \times B) - C])])$$

Where:

**"A"** means the Reference Entity Notional Amount;

**"B"** means the relevant Auction Final Price;

**"C"** means the Credit Unwind Costs (unless the Final Terms specify that Credit Unwind Costs are not applicable, in which event **"C"** means zero); and

**"PP"** means the Principal Protection Level specified in the Final Terms multiplied by the Reference Entity Notional Amount.

**"Auction Settlement Amount Notice"** means a notice given by the Issuer to the Calculation Agent and the Holders in accordance with Condition 17, on or prior to the date which is 65 Business Days following the Final List Publication Date (or, if later, the Movement Option Cut-off Date) specifying:

- (a) the Transaction Auction Settlement Terms or Parallel Auction Settlement Terms which the Issuer has elected to apply to the Credit Securities (provided that the Issuer may only elect to apply any Parallel Auction Settlement Terms (for purposes of which all Deliverable Obligations (as defined in respect of the Final List) on the Final List will be Permissible Deliverable Obligations) in the circumstances set out in sub-paragraph (b) or (c)(ii) of the definition of "No Auction Announcement Date"); and
- (b) the Auction Settlement Amount.

**"Auction Settlement Date"** means the date that is three Business Days following delivery by the Issuer of the Auction Settlement Amount Notice to the Calculation Agent and the Holders in accordance with Condition 17

(or, if Credit Security Condition 2(b) is specified to be not applicable in the Final Terms or if the Final Price is specified in the Final Terms, the date falling fifteen Credit Security Business Days following the date of the relevant DC Credit Event Announcement).

**"Bankruptcy"** means a Reference Entity:

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

**"Basket Credit Securities"** means any Credit Securities specified as such in the Final Terms.

**"Bond"** means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money obligation.

**"Bond or Loan"** means any obligation that is either a Bond or a Loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Capped Reference Entity"** means, unless otherwise specified in the Final Terms, a Reference Entity having a specified Transaction Type in respect of which "60 Business Day Cap on Settlement" is expressed as applying in the Physical Settlement Matrix.

**"Cash Settlement Date"** means the date that is the number of Business Days specified in the Final Terms (or, if a number of Business Days is not specified, three Business Days) immediately following the determination of the Weighted Average Final Price (or, if Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or if the Final Price is specified in the Final Terms, the date falling fifteen Credit Security Business Days following the date of the relevant DC Credit Event Announcement).

**"Change in Law"** means that, on or after the Trade Date (as specified in the Final Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency, regulatory or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines that:

- (a) it is unable to perform its obligations in respect of the Credit Securities or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Credit Securities; or
- (b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency, regulatory or capital requirements) in maintaining the Credit Securities in issue or in holding, acquiring or disposing of any relevant hedge positions of the Credit Securities.

**"CoCo Supplement"** means the 2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions, as published by ISDA.

**"Combination Credit Securities"** means any Credit Security specified as such in the Final Terms.

**"Conditionally Transferable Obligation"** means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, as of the Relevant Valuation Date, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Conditionally Transferable Obligation".

**"Conforming Reference Obligation"** means a Reference Obligation which is a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation".

**"Consent Required Loan"** means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such Loan) or any agent, and, if specified as applicable to a Deliverable Obligation Category, the Consent Required Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within the Deliverable Obligation Category that are Loans.

**"Credit Derivatives Auction Settlement Terms"** means, in relation to any Reference Entity, the Credit Derivatives Auction Settlement Terms published by ISDA, with respect to the relevant Reference Entity, a form of which will be published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and as may be amended from time to time.

**"Credit Derivatives Definitions"** means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA, and, in addition, if Additional Provisions are specified to be applicable with respect to the Credit Securities in the Final Terms, as supplemented by the Additional Provisions.

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

**"Credit Event"** means the occurrence of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring, Governmental Intervention as specified with respect to a Reference Entity.

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

- (a) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Backstop Date"** means the date that is 60 calendar days prior to the Trade Date or, if so specified in the Final Terms, the Issue Date or such other date specified in the Final Terms. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

**"Credit Event Cash Settlement Amount"** means, in relation to any Reference Entity and unless otherwise specified in the Final Terms, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Credit Event Cash Settlement Amount} = \text{Max} (\text{PP}, \text{Max} [0, \text{Min} (\text{A}, [(A \times B) - C])])$$

Where:

**"A"** means the Reference Entity Notional Amount;

**"B"** means the Weighted Average Final Price, or if so specified in the Final Terms, the Final Price or such other price specified therein;

**"C"** means the Credit Unwind Costs (unless the Final Terms specify that Credit Unwind Costs are not applicable, in which event **"C"** means zero); and

"PP" means the Principal Protection Level specified in the Final Terms multiplied by the Reference Entity Notional Amount.

"Credit Event Notice" means an irrevocable notice from the Calculation Agent (which may be in writing (including by facsimile and/or email and/or by telephone)) to the Issuer that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full Reference Entity Notional Amount.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred, provided that where an Event Determination Date has occurred pursuant to sub-paragraph (b) of the definition thereof, a reference to the relevant DC Credit Event Announcement shall suffice. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"Credit Event Resolution Request Date" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"Credit Securities" means Notes linked to the credit of a specified entity or entities.

"Credit Security Business Day" means, in respect of any Reference Entity, (a)(i) a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose with respect to such Reference Entity, and/or (ii) a TARGET Settlement Day (if "TARGET" or "TARGET Settlement Day" is specified with respect to such Reference Entity), or (b) if a place or places or such terms are not so specified, (i) if the related Reference Entity Notional Amount is denominated in the euro, a TARGET Settlement Day, or (ii) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the currency of denomination of the related Reference Entity Notional Amount. Business Days referenced in the Physical Settlement Matrix shall be deemed to be Credit Security Business Days.

"Credit Security Dealer" means a dealer in obligations of the type of Obligation(s) (as the case may be) for which quotations are to be obtained (as selected by the Calculation Agent) and may include the Calculation Agent or its Affiliate and a Holder or its Affiliate or as may otherwise be specified in the Final Terms.

"Credit Security Maturity Date" means either:

- (a) the Scheduled Maturity Date; or
- (b) where an Extension Notice in relation to a Reference Entity is delivered by the Calculation Agent to the Issuer at or prior to 11:00 a.m. (London time) on the date falling two London Business Days prior to the Scheduled Maturity Date, the date falling two Business Days after the latest to occur of the expiry of the Notice Delivery Period, the expiry of the Post Dismissal Additional Period or the latest date on which it would be possible for the Calculation Agent or the Issuer to deliver a Credit Event Notice under paragraph (b)(i)(B) or (b)(ii) of the definition of "Event Determination Date".

**"Credit Unwind Costs"** means the amount specified in the Final Terms or if "Standard Credit Unwind Costs" are specified in the Final Terms (or in the absence of such specification), an amount (such amount prior to any apportionment *pro rata*, the **"Aggregate Credit Unwind Costs"**), subject to a minimum of zero, determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption, settlement, cancellation and/or termination of the Credit Securities (and/or the reduction in the Outstanding Principal Amount thereof) and the related termination, settlement or re-establishment of any Hedge Transaction, such amount to be apportioned *pro rata* amongst the outstanding (and in the case of Partly Paid Notes, paid-up) principal amount outstanding of each Credit Security.

**"Currency Amount"** means with respect to:

- (a) a Deliverable Obligation specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, or a selected Valuation Obligation that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to that portion of the relevant Reference Entity Notional Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

**"Currency Rate"** means with respect to:

- (a) a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, or a selected Valuation Obligation, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either:
  - (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
  - (ii) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

**"Currency Rate Source"** means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

**"DC Announcement Coverage Cut-off Date"** means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable.

**"DC Credit Event Announcement"** means, with respect to a Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that if the Credit Event occurred after the Scheduled Maturity Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period

Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

**"DC Credit Event Meeting Announcement"** means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

**"DC Credit Event Question"** means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

**"DC Credit Event Question Dismissal"** means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

**"DC No Credit Event Announcement"** means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event.

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

**"DC Resolution Reversal Cut-off Date"** means the earliest to occur of the Auction Final Price Determination Date, a Valuation Date, a Physical Settlement Date, a Delivery Date, the Credit Security Maturity Date or other redemption date of the Credit Securities or the date on which instructions are given by or on behalf of the Issuer for any such redemption or any date, as determined by the Calculation Agent acting in a commercially reasonable manner, of termination, settlement, replacement or re-establishment in whole or in part of any Hedge Transaction (or entry into a binding commitment in respect of any of the foregoing) by or on behalf of the Issuer and/or any of its Affiliates (following the occurrence of an Event Determination Date or in reliance on a prior DC Resolution), as applicable.

**"DC Secretary"** has the meaning given to that term in the Rules.

**"Deemed Interest Reduction"** has the meaning given to such term in Credit Security Condition 5(iv) (*Tranched Credit Securities*).

**"Default Requirement"** means the amount as may be specified as such in the Final Terms or, if a Transaction Type is specified, the amount specified as such in the Physical Settlement Matrix or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, U.S.\$ 10,000,000 or its equivalent in the relevant Obligation Currency), in either case, as of the occurrence of the relevant Credit Event.

**"Deliver"** means:

- (a) to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the Issuer or the Holders, as the case may be, free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in the definition of "Credit Event") or right of set-off by or of the Reference Entity or any applicable Underlying Obligor) provided that (i) if a

Deliverable Obligation is a Direct Loan Participation, "Deliver" means to create (or procure the creation of) a participation in favour of the Issuer or the Holders, as the case may be, and (ii) if a Deliverable Obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, (A) "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap and (B) those claims shall be deemed to be Deliverable Obligations). "**Delivery**" and "**Delivered**" will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time, provided further that the Issuer and each Holder agrees to comply with the provisions of any documentation (which shall include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. The Issuer agrees, and each Holder is deemed to further agree, that compliance by the Issuer with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Holder shall be permitted to request that any party take nor shall the Issuer or any Holder be required to take, any action or make any payment in connection with such Delivery, as applicable, unless otherwise contemplated by such documentation.

- (b) If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) paragraph (a) of the definition of "Deliver" and the relevant provisions on delivery shall be deemed to apply to each Asset in the Asset Package provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer or Calculation Agent (on its behalf) has notified the Holders of the detailed description of the Asset Package that it intends to Deliver in accordance with the definition of "Notice of Physical Settlement", (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

"**Deliverable Obligation**" means:

- (a) any obligation of the relevant Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the Method for Determining Deliverable Obligations;
- (b) the Reference Obligation;

- (c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and
- (d) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (i) unless it is an Excluded Deliverable Obligation and (ii) provided that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for purposes of paragraph (d), immediately prior to the relevant Asset Package Credit Event).

For purposes of the "**Method for Determining Deliverable Obligations**", the term "Deliverable Obligation" may be defined as each obligation of the Reference Entity described by the Deliverable Obligation Category specified in respect of the Reference Entity, and, subject to Credit Security Condition 8 (Provisions relating to Obligation Category and Characteristics and Deliverable Obligation Category and Characteristics), having each of the Deliverable Obligation Characteristics, if any, specified in respect of the Reference Entity, in each case, as of both the NOPS Effective Date and the Delivery Date (unless otherwise specified).

**"Deliverable Obligation Category"** means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan as specified in relation to a Reference Entity. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics. No Deliverable Obligation Characteristics are applicable to Reference Obligation Only.

**"Deliverable Obligation Characteristics"** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

**"Deliverable Obligation Provisions"** in relation to any Reference Entity, has the meaning set forth in the Credit Derivatives Auction Settlement Terms.

**"Deliverable Obligation Terms"** in relation to any Reference Entity, has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

**"Delivery Date"** means, with respect to a Deliverable Obligation or an Asset Package, the date on which such Deliverable Obligation or Asset Package is Delivered (or deemed Delivered under paragraph (b)(iii) of the definition of "Deliver").

**"Direct Loan Participation"** means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Holder that provides each Holder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Holder and either:

- (a) the Issuer or the Guarantor (as applicable) (in either case, to the extent that the Issuer or the Guarantor (as applicable), is then a lender or member of the relevant lending syndicate), or
- (b) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate).

**"Domestic Currency"** means the currency specified as such in relation to a Reference Entity and any successor currency thereto. If no currency is so specified, the Domestic Currency shall be the lawful currency and any successor currency of:

- (a) the relevant Reference Entity, if the Reference Entity is a Sovereign; or
- (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign.

**"Domestic Law"** means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organized, if such Reference Entity is not a Sovereign.

**"Downstream Affiliate"** means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity.

**"Due and Payable Amount"** means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the Relevant Valuation Date, as applicable.

**"Eligible Information"** means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

**"Eligible Transferee"** means each of the following:

- (a) any:
  - (i) bank or other financial institution;
  - (ii) insurance or reinsurance company;
  - (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (c)(i) below); and
  - (iv) registered or licensed broker or dealer (other than a natural person or proprietorship),  
provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (b) an Affiliate of an entity specified in (a) above;
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
  - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralized debt obligations, commercial paper conduit or other special purpose vehicle) that (I) has total assets of at least USD 100,000,000 or (II) is one of a group of investment vehicles under common control or management having, in aggregate, total assets of at least USD 100,000,000;

- (ii) that has total assets of at least USD 500,000,000; or
- (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in paragraphs (a), (b), (c)(ii) or (d) hereof; and
- (d) any:
  - (i) Sovereign; or
  - (ii) entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development,

All references in this definition to U.S.\$ or USD include equivalent amounts in other currencies, as determined by the Calculation Agent.

**"Event Determination Date"** means, in respect of any Credit Event:

- (a) subject to sub-paragraph (b) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) save in respect of an M(M)R Restructuring Credit Event and notwithstanding sub-paragraph (a) above, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), either:
  - (i) the Credit Event Resolution Request Date, if either:
    - (A) (I) the Credit Event is not an M(M)R Restructuring; and
    - (I) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or
    - (B) (I) the Credit Event is an M(M)R Restructuring; and
    - (I) a Credit Event Notice is delivered by the Calculation Agent to the Issuer on or prior to the Exercise Cut-off Date; or
  - (ii) if so elected by the Calculation Agent, the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is 15 Business Days thereafter,

provided that:

- (iii) no Physical Settlement Date or Cash Settlement Date (as applicable) has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;
- (iv) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, an Event Determination Date

shall be deemed to have occurred only with respect to the portion of the Reference Entity Notional Amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and

- (v) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer:
  - (A) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date;
  - (B) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the then outstanding Reference Entity Notional Amount; or
  - (C) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction.

No Event Determination Date will occur with respect to an event, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, a DC No Credit Event Announcement occurs with respect to the event that, but for such DC No Credit Event Announcement, would have constituted a Credit Event, prior to the DC Resolution Reversal Cut-off Date.

Where the Credit Securities are Basket Credit Securities, Tranche Credit Securities or Nth-to-Default Credit Securities and an Event Determination Date occurs with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine the order in which such Event Determination Dates occurred acting in good faith and in a reasonable manner.

**"Excess Amount"** means any amount paid to the Holders but which was not due on the Credit Securities, as a result of the occurrence of a DC Credit Event Announcement, Event Determination Date or Credit Event Resolution Request Date on or around the date on which the amount in question would otherwise have been required to be paid or as a result of any Writedown Amount not having been taken into account.

**"Excluded Deliverable Obligation"** means:

- (a) any obligation of the Reference Entity specified as such or of a type described in the related Final Terms;
- (b) any principal only component of a Bond from which some or all of the interest components have been stripped; and
- (c) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

**"Excluded Obligation"** means:

- (a) any obligation of the Reference Entity specified as such or of a type described in the related Final Terms;
- (b) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity and the Reference Entity is a Senior Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

- (c) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity and the Reference Entity is a Subordinated Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Exercise Amount**" has the meaning given to it in Credit Security Condition 11(a)(i).

"**Exercise Cut-off Date**" means the date that is the later of:

- (a) 65 Business Days following the Final List Publication Date;
- (b) 15 Credit Security Business Days following the Auction Final Price Determination Date, if any;
- (c) 15 Credit Security Business Days following the Auction Cancellation Date, if any; or
- (d) 15 Credit Security Business Days following the No Auction Announcement Date, if any,

or such later date as the relevant Credit Derivatives Determinations Committee Resolves.

"**Exhaustion Point**" means, in respect of Tranched Credit Securities, the value specified as such in the Final Terms.

"**Extended Physical Settlement Date**" means:

- (a) in the case of a Capped Reference Entity, the 60<sup>th</sup> Credit Security Business Day following the Physical Settlement Date, provided that if, under the terms of a Hedge Transaction, the Original Bonds or Original Loans (or Assets which form part of the Asset Package intended to be Delivered in lieu of a Prior Deliverable Obligation or Package Observable Bond (the "**Original Assets**"), or any other Deliverable Obligations in lieu thereof), may not be received by the Issuer and/or any of its Affiliates on or before the Extended Physical Settlement Date but the Issuer and/or any of its Affiliates may, in accordance with the terms of the Hedge Transaction, receive or otherwise obtain such Original Bonds or such Original Loans or other Bonds or Loans in lieu thereof or Original Assets or any other Deliverable Obligations in lieu thereof on or before the date falling three Credit Security Business Days (in a case where Original Bonds may be received or otherwise obtained after the Extended Physical Settlement Date) or ten Credit Security Business Days (in a case where Original Loans or other Loans or Bonds in lieu thereof or Original Assets or any other Deliverable Obligations in lieu thereof may be received or otherwise obtained after the Extended Physical Settlement Date) after the Extended Physical Settlement Date, such date may be further extended to a date falling up to three Credit Security Business Days or ten Credit Security Business Days, respectively, after the original Extended Physical Settlement Date, or to such earlier date as the Calculation Agent may determine; and
- (b) in the case of a Non-Capped Reference Entity, such date as the Calculation Agent may select, provided that such date falls no later than the 120<sup>th</sup> Credit Security Business Day following the Physical Settlement Date or, in the absence of such selection, such 120<sup>th</sup> Credit Security Business Day.

"**Extension Date**" means the latest of:

- (a) the Scheduled Maturity Date;
- (b) the Grace Period Extension Date if:
  - (i) "Failure to Pay" and "Grace Period Extension" are specified as applicable in relation to any Reference Entity;

- (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Maturity Date; and
- (iii) an Extension Notice is delivered under sub-paragraph (b) of the definition thereof;
- (c) the Repudiation/Moratorium Evaluation Date (if any) if:
  - (i) Repudiation/Moratorium is specified as applicable in relation to any Reference Entity; and
  - (ii) an Extension Notice is delivered under sub-paragraph (c) of the definition thereof.

**"Extension Notice"** means a notice from the Calculation Agent to the Issuer giving notice of the following in relation to a Reference Entity:

- (a) without prejudice to sub-paragraphs (b), (c) or (d) below, that a Credit Event has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (b) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (d) that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the Notice Delivery Period.

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Fallback Settlement Event"** means:

- (a) an Auction Cancellation Date occurs;
- (b) a No Auction Announcement Date occurs (and in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) or (c)(ii) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms on or prior to the Movement Option Cut-off Date);
- (c) a DC Credit Event Question Dismissal occurs; or
- (d) an Event Determination Date has occurred pursuant to sub-paragraph (a) of the definition of "Event Determination Date", and no Credit Event Request Resolution Date has occurred within three Business Days of such Event Determination Date.

**"Fallback Settlement Method"** means Cash Settlement or Physical Settlement, as specified in the Final Terms.

**"Final List"** has the meaning given to that term in the Rules.

**"Final List Publication Date"** means, in respect of a Credit Event, the date on which the last Final List in respect of such Credit Event is published by ISDA.

**"Final Price"** means:

- (a) the price specified in the Final Terms as being the Final Price with respect to a Reference Entity; or
- (b) the price of the Reference Obligation or, as applicable, any Valuation Obligation, Deliverable Obligation or Undeliverable Obligation expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount (or, as the case may be, the Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event), as applicable, determined in accordance with:
  - (i) the highest Quotation obtained by the Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date (or, in the case of a relevant Asset other than Borrowed Money and other than a Non-Transferable Instrument or Non-Financial Instrument, such other market value of the relevant Asset as may be determined by the Calculation Agent in a commercially reasonable manner); or
  - (ii) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the relevant Asset Market Value.

For the avoidance of doubt, if the Asset Package is or is deemed to be zero, the Final Price shall be zero. If the Final Price is specified in the Final Terms, the Final Price shall be the amount so specified.

**"Final Price Calculation Date"** means an Auction Final Price Determination Date or, as the case may be, the date on which the Weighted Average Final Price or (as applicable) the Final Price is determined in respect of a particular Credit Event and the relevant Reference Entity.

**"Final Settlement Date"** means the 10th Business Day following the latest to occur of the Final Price Calculation Dates in respect of the Reference Entities.

**"First Ranking Interest"** means an Interest which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).

**"Fixed Cap"** means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

**"Full Quotation"** means, in accordance with the bid quotations provided by the Credit Security Dealers, each firm quotation (expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable) obtained from a Credit Security Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation, Deliverable Obligation or, as the case may be, Undeliverable Obligations with an Outstanding Principal Balance or Due and Payable Amount, as applicable, equal to the Quotation Amount.

**"Fully Transferable Obligation"** means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, the Relevant Valuation Date. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Fully Transferable Obligation".

**"Further Subordinated Obligation"** means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

**"Governmental Authority"** means (i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof); (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body; (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Governmental Intervention"** means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:
  - (i) any event which would affect creditors' rights so as to cause:
    - (A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
    - (B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
    - (C) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
    - (D) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
  - (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
  - (iii) a mandatory cancellation, conversion or exchange; or
  - (iv) any event which has an analogous effect to any of the events specified in (a)(i) to (a)(iii) above.
- (b) For purposes of (a) above, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

**"Grace Period"** means:

- (a) subject to sub-paragraphs (b) and (c), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (b) if "Grace Period Extension" is applicable in relation to the relevant Reference Entity, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the Final Terms or, if no period is specified, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applicable in relation to the relevant Reference Entity, such deemed Grace Period shall expire no later than the Scheduled Maturity Date.

**"Grace Period Business Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"Grace Period Extension Date"** means, if:

- (a) "Grace Period Extension" is specified as applicable in relation to a Reference Entity; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date,

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If "Grace Period Extension" is not specified as applicable in relation to a Reference Entity, Grace Period Extension shall not apply.

**"Guarantee"** means a Relevant Guarantee or a guarantee which is the Reference Obligation.

**"Hedge Disruption Event"** means the Issuer and/or any of its Affiliates has not received the relevant Deliverable Obligations and/or cash under the terms of a Hedge Transaction.

**"Hedge Transaction"** means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Credit Securities.

**"Hedging Disruption"** means that the Issuer, the Guarantor, if applicable, and/or any of their respective Affiliates is unable, after using commercially reasonable efforts, or is not longer permitted to pursuant to its internal policies in relation to dealings with sanctioned entities or territories to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract(s) it deems necessary to hedge its exposure with respect to the Credit Securities, or (B) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or any futures or options contract(s) or any relevant hedge positions relating to the Credit Securities.

**"Implicit Portfolio Size"** means an amount equal to the Aggregate Nominal Amount as at the Issue Date divided by the Tranche Size.

**"Increased Cost of Hedging"** means that the Issuer, the Guarantor (if applicable) and/or any of their respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer or the Guarantor, (if applicable), issuing and performing its obligations with respect to the Credit Securities, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer, the Guarantor, (if applicable) and/or any of their respective Affiliates shall not be deemed an Increased Cost of Hedging.

**"Incurred Loss Amount"** means, with respect to a Reference Entity and a Final Price Calculation Date, an amount calculated on such Final Price Calculation Date equal to the lowest of:

- (a) the Loss Amount;
- (b) the Aggregate Loss Amount (including the related Loss Amount for that Reference Entity and Final Price Calculation Date) minus the Loss Threshold Amount on such Final Price Calculation Date (following any adjustments thereto on such date), subject to a minimum of zero; and
- (c) the Outstanding Principal Amount (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date).

**"Incurred Recovery Amount"** means, with respect to a Reference Entity and a Final Price Calculation Date, an amount calculated on such Final Price Calculation Date equal to the lowest of:

- (a) the Recovery Amount;
- (b) the Aggregate Recovery Amount (including the related Recovery Amount for that Reference Entity and Final Price Calculation Date) minus the Recovery Threshold Amount on such Final Price Calculation Date (following any adjustments thereto on such date), subject to a minimum of zero; and
- (c) the Outstanding Principal Amount (prior to any reduction thereto in respect of that Reference Entity and Final Price Calculation Date).

**"Index Sponsor"** means, in respect of a Relevant Annex, the index sponsor (if any) specified as such in the Final Terms.

**"Indicative Quotation"** shall mean each bid quotation obtained from a Credit Security Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation equal to the Quotation Amount, which reflects such Credit Security Dealer's reasonable assessment of the price of such Undeliverable Obligation based on such factors as such Credit Security Dealer may consider relevant, which may include historical prices and recovery rates.

**"Interest"** means, for the purposes of the definition of "First Ranking Interest", a charge, security interest or other type of interest having similar effect.

**"Interest Shortfall Amount"** means, in respect of each Credit Security and any Interest Payment Date or the Final Settlement Date, an amount equal to the aggregate of the shortfalls in the interest paid in respect of such Credit Security on any previous Interest Payment Date as a result of a Deemed Interest Reduction as against the interest which would have been payable in respect of such Credit Security on such Interest Payment Date on the basis of the actual Writedown Amount (if any) determined on the related Final Price Calculation Date

or, as the case may be, on the basis of a determination by the Calculation Agent that no Event Determination Date has subsequently occurred or could subsequently occur in respect of the relevant Reference Entity.

**"Interest Shortfall Payment Date"** means, in respect of an Interest Shortfall Amount, the first Interest Payment Date to occur after the second Business Day following the related Final Price Calculation Date or the related date of determination by the Calculation Agent that no Event Determination Date has subsequently occurred or could subsequently occur in respect of the relevant Reference Entity, or, if there is no such Interest Payment Date, the Final Settlement Date

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

**"Largest Asset Package"** means, in respect of a Prior Deliverable Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment), as determined by the Calculation Agent by reference to Eligible Information. If this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realizable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

**"Latest Maturity Restructured Bond or Loan"** means, in respect of a Reference Entity and a Credit Event that is a Restructuring, the Restructured Bond or Loan with the latest final maturity date.

**"Latest Permissible Physical Settlement Date"** means, in respect of a Potential Cash Settlement Event in respect of a Deliverable Obligation comprised of Loans where "Partial Cash Settlement of Consent Required Loans", "Partial Cash Settlement of Assignable Loans" or "Partial Cash Settlement of Participations" is specified as applicable in respect of the relevant Reference Entity, the date that is 15 Credit Security Business Days after the Physical Settlement Date, or, in respect of any other Potential Cash Settlement Event, 30 calendar days following the Physical Settlement Date.

**"Legacy Reference Entity"** has the meaning given to such term in Credit Security Condition 9(c)(ii) above.

**"Limitation Date"** means, in respect of a Credit Event that is a Restructuring, the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **"2.5-year Limitation Date"**), 5 years, 7.5 years, 10 years (the **"10-year Limitation Date"**), 12.5 years, 15 years or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention.

**"Listed"** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange and, if specified as applicable to an Obligation Category, the Listed Obligation Characteristic shall be applicable only in respect of obligations within that Obligation Category that are Bonds or, if specified as applicable to a Deliverable Obligation Category, the Listed Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

**"Loan"** means any obligation of a type included in the Borrowed Money Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

**"London Business Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

**"Loss Amount"** means, in respect of Tranche Credit Securities, a Reference Entity and a Final Price Calculation Date, an amount calculated on that Final Price Calculation Date equal to:

- (a) 100 per cent. minus either (i) the Auction Final Price or (ii) if Cash Settlement applies, the Weighted Average Final Price (or, if so specified in the Final Terms, the Final Price or such other price specified therein) for that Reference Entity as of such Final Price Calculation Date; multiplied by
- (b) the Reference Entity Notional Amount for that Reference Entity, as at the relevant Event Determination Date,

subject to a minimum of zero.

**"Loss Threshold Amount"** means, in respect of Tranching Credit Securities, an amount equal to the Implicit Portfolio Size multiplied by the Attachment Point.

**"LPN"** means any bond issued in the form of a loan participation note.

**"LPN Issuer"** means the entity which issued the relevant LPN.

**"LPN Reference Obligation"** means each Reference Obligation other than any Additional Obligation which is issued for the sole purpose of providing funds to the LPN Issuer to finance an Underlying Loan. For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation.

**"M"** means in relation to Nth-to-Default Credit Securities where "Multiple Default Triggers" is applicable, such number as may be specified in the Final Terms.

**"Max"** means, whenever followed by a series of amounts inside brackets, whichever is the greater of the amounts separated by a comma inside those brackets.

**"Maximum Maturity"** means an obligation that has a remaining maturity of not greater than:

- (a) the period specified in relation to a Reference Entity; or
- (b) if no such period is so specified, 30 years.

**"Merger Event"** means that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Maturity Date, the Issuer becomes aware that a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Holder.

**"Merger Event Redemption Date"** means the date specified as such in the Final Terms.

**"Min"** means, whenever followed by a series of amounts inside brackets, whichever is the lesser of the amounts separated by a comma inside those brackets.

**"Minimum Quotation Amount"** means the amount specified as such in the Final Terms (or its equivalent in the relevant Obligation Currency) or, if no such amount is specified, the lower of:

- (a) U.S.\$ 1,000,000 (or its equivalent in the relevant Obligation Currency); and
- (b) the Quotation Amount.

**"M(M)R Restructuring"** means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in respect of the Reference Entity.

**"Modified Eligible Transferee"** means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

**"Modified Restructuring Maturity Limitation Date"** means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date.

Subject to the foregoing, if the Scheduled Maturity Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

**"Movement Option Cut-off Date"** means the date that is one Relevant City Business Day following the Exercise Cut-off Date (or, if later, such other date as the relevant Credit Derivatives Determinations Committee Resolves) or such earlier date as the Issuer may designate by notice to the Calculation Agent and the Holders in accordance with Condition 17).

**"Multiple Holder Obligation"** means an Obligation that:

- (a) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other; and
- (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event,

provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (b) above.

**"N"** or **"Nth"** means, in relation to "Nth-to-Default Credit Securities", such number as may be specified in such Final Terms.

**"Next Currency Fixing Time"** means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPs Amendment Notice, as applicable, is effective or, as applicable, the date of selection of Valuation Obligations.

**"No Auction Announcement Date"** means, with respect to any Reference Entity and a Credit Event, the date on which the DC Secretary first publicly announces that:

- (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published with respect to credit derivative transactions in the over-the-counter market and the relevant Credit Event and Reference Entity;
- (b) following the occurrence of an M(M)R Restructuring, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published; or
- (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held with respect to such Reference Entity and Credit Event following a prior public announcement by the DC Secretary to the contrary, in circumstances where either:
  - (i) no Parallel Auction will be held; or
  - (ii) one or more Parallel Auctions will be held.

**"Non-Capped Reference Entity"** means a Reference Entity which is not a Capped Reference Entity.

**"Non-Conforming Reference Obligation"** means a Reference Obligation which is not a Conforming Reference Obligation.

**"Non-Conforming Substitute Reference Obligation"** means an obligation which would be a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation" on the

Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

**"Non-Standard Reference Obligation"** means the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

**"Non-Financial Instrument"** means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

**"Non-Transferable Instrument"** means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

**"NOPS Amendment Notice"** means a notice delivered by the Calculation Agent on behalf of the Issuer (with a copy to the Issuer), to the Holders notifying that the Calculation Agent is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective).

**"NOPS Effective Date"** means the date on which a Notice of Physical Settlement or NOPS Amendment Notice, as the case may be, is delivered by the Issuer or the Calculation Agent (on its behalf).

**"Not Bearer"** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, Luxembourg or any other internationally recognised clearing system and, if specified as applicable to a Deliverable Obligation Category, the Not Bearer Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

**"Not Domestic Currency"** means any obligation that is payable in any currency other than the applicable Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency.

**"Not Domestic Issuance"** means any obligation other than an obligation that was issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

**"Not Domestic Law"** means any obligation that is not governed by the applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute a Domestic Law.

**"Not Sovereign Lender"** means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as "Paris Club debt".

**"Not Subordinated"** means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the Prior Reference Obligation, if applicable.

**"Notice Delivery Date"** means the first date on which both an effective Credit Event Notice and, unless "Notice of Publicly Available Information" is specified as not applicable, an effective Notice of Publicly Available Information, have been delivered by the Calculation Agent to the Issuer.

**"Notice Delivery Period"** means the period from and including the Trade Date to and including the date 15 Credit Security Business Days (or such other number of days as may be specified in the Final Terms) after the Extension Date (or, if the relevant Credit Event is an M(M)R Restructuring, the later of such date and the Exercise Cut-off Date).

**"Notice of Physical Settlement"** means a notice delivered by the Calculation Agent on behalf of the Issuer (with a copy to the Issuer), to the Holders on or prior to the latest of:

- (a) 65 Business Days following the Final List Publication Date;
- (b) subject to sub-paragraph (c) below, 25 Credit Security Business Days after the last to occur of the Auction Cancellation Date, the No Auction Announcement Date, the last Parallel Auction Cancellation Date and the last Parallel Notice of Physical Settlement Date (in each case if any and if applicable); and
- (c) in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) or (c)(ii) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms to the Calculation Agent by the Movement Option Cut-off Date, 5 Credit Security Business Days following such Movement Option Cut-off Date;
- (d) 30 calendar days following the Event Determination Date; and
- (e) 10 calendar days following the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal,

(the **"NOPS Cut-off Date"**) that:

- (i) confirms that the Issuer intends to redeem the Credit Securities by Physical Settlement in accordance with Credit Security Condition 7; and
- (ii) contains a detailed description of the Deliverable Obligations that the Issuer intends to Deliver (or procure Delivery of) to the Holders, including the Outstanding Amount and the aggregate Outstanding Amount of such Deliverable Obligations.

The Notice of Physical Settlement shall specify Deliverable Obligations having an Outstanding Amount (or the equivalent specified Currency Amount converted at the Currency Rate) on the Settlement Valuation Date at least equal to the Reference Entity Notional Amount (or, as applicable, Exercise Amount), subject to any Physical Settlement Adjustment.

The Issuer or the Calculation Agent (on its behalf) may, from time to time, deliver to the Holders in the manner specified above a NOPS Amendment Notice. A NOPS Amendment Notice shall contain a revised detailed description of each Replacement Deliverable Obligation and shall also specify the Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice).

Notwithstanding the foregoing, (i) the Issuer or the Calculation Agent (on its behalf) may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Issuer (given in the manner specified above) prior to the relevant Delivery Date, and (ii) if Asset Package Delivery is applicable, the Issuer or the Calculation Agent (on its behalf) shall, prior to the Delivery Date, notify the Holders of the detailed description of the Asset Package, if any, that it intends to Deliver to the Holders in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

**"Notice of Publicly Available Information"** means an irrevocable notice from the Calculation Agent (which may be by telephone) to the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event described in the Credit Event Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both sub-paragraphs (a) and (b) of the definition of "Repudiation/Moratorium". The notice must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as applicable in respect of the Reference Entity and a Credit Event Notice contains Publicly Available Information, such Credit Event Notice will also be deemed to be a Notice of Publicly Available Information.

**"Notional Credit Derivative Transaction"** means, with respect to any Credit Security and a Reference Entity, a hypothetical market standard credit default swap transaction entered into by the Issuer, as Buyer (defined in the Credit Derivatives Definitions), incorporating the terms of the Credit Derivatives Definitions and under the terms of which:

- (a) the "Trade Date" is the Trade Date, if specified in the Final Terms and if not, the Issue Date;
- (b) the "Scheduled Termination Date" is the Scheduled Maturity Date;
- (c) the "Reference Entit(y)(ies)" thereunder is (are) such Reference Entit(y)(ies);
- (d) the applicable "Transaction Type", if any, is the Transaction Type for the purposes of such Credit Security; and
- (e) the remaining terms as to credit linkage are consistent with the terms of such Credit Security as it relates to such Reference Entity.

**"Nth-to-Default Credit Security"** means any Credit Securities specified as such in the Final Terms.

**"Obligation"** means:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the Method for Determining Obligations; and
- (b) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

For purposes of the **"Method for Determining Obligations"**, the term "Obligation" may be defined as each obligation of the Reference Entity described by the Obligation Category specified in respect thereof and having each of the Obligation Characteristics, if any, specified in respect thereof, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable.

**"Obligation Acceleration"** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

**"Obligation Category"** means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in relation to a Reference Entity.

**"Obligation Characteristic"** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in relation to a Reference Entity.

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Obligation Default"** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (howsoever described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

**"Original Bonds"** means any Bonds comprising part of the relevant Deliverable Obligations.

**"Original Loans"** means any Loans comprising part of the relevant Deliverable Obligations.

**"Original Non-Standard Reference Obligation"** means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in relation to the Reference Entity (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the Reference Entity (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) unless (a) otherwise specified in the Final Terms by reference to this definition, or (b) the Reference Entity is a Reference Obligation Only Trade.

**"Outstanding Amount"** means the Outstanding Principal Balance or Due and Payable Amount, as applicable.

The **"Outstanding Principal Balance"** of an obligation will be calculated as follows:

- (i) first, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable in accordance with Credit Security Condition 8(h) (Accrued Interest), the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (B) the amount of the Fixed Cap, if any);
- (ii) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (A) is subject to any Prohibited Action, or (B) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (I) payment or (II) a Permitted Contingency) (the amount determined in paragraph (i) less any amounts subtracted in accordance with this paragraph (ii), the **"Non-Contingent Amount"**); and

- (iii) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

- (A) unless otherwise specified, in accordance with the terms of the obligation in effect on either (I) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date), or (II) the Relevant Valuation Date, as applicable; and
- (B) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

**"Outstanding Principal Amount"** means, in respect of any Credit Security, such Credit Security's pro rata share of the initial Aggregate Nominal Amount less such Credit Security's pro rata share of all Reference Entity Notional Amounts of Reference Entities in respect of which an Event Determination Date has occurred (or, in the case of a Tranche Credit Security, such Credit Security's pro rata share of the initial Aggregate Nominal Amount less such Credit Security's pro rata share of all Writedown Amounts determined on or prior to the relevant date of determination) subject, in each case, to a minimum of zero.

**"Package Observable Bond"** means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at [www.isda.org](http://www.isda.org) from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of Deliverable Obligation set out in paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

**"Parallel Auction"** means "Auction" as defined in any relevant Parallel Auction Settlement Terms.

**"Parallel Auction Cancellation Date"** means "Auction Cancellation Date" as defined in any relevant Parallel Auction Settlement Terms.

**"Parallel Auction Final Price Determination Date"** means the "Auction Final Price Determination Date" as defined in any relevant Parallel Auction Settlement Terms.

**"Parallel Auction Settlement Terms"** means, following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions which would be applicable to the Notional Credit Derivative Transaction and for which the Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

**"Parallel Notice of Physical Settlement Date"** means "Notice of Physical Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

**"Partial Cash Settlement Amount"** means where the applicable Settlement Method is Physical Settlement, an amount determined by the Calculation Agent equal to the aggregate, for each Undeliverable Obligation, of:

- (a) the Final Price of such Undeliverable Obligations multiplied by;
- (b) the relevant Outstanding Principal Balance, Due and Payable Amount or Currency Amount, as applicable, of such Undeliverable Obligation specified in the relevant Notice of Physical Settlement or NOPS Amendment Notice, as applicable.

**"Partial Cash Settlement Date"** means the date falling three Credit Security Business Days (unless otherwise specified in relation to a Reference Entity) after the calculation of the Final Price.

**"Payment"** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

**"Payment Requirement"** means the amount specified as such in the Final Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified in the Final Terms, U.S.\$ 1,000,000 or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency), in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

**"Permissible Deliverable Obligations"** has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

**"Permitted Contingency"** means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

- (a) as a result of the application of:
  - (i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;
  - (ii) provisions implementing the Subordination of the obligation;
  - (iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);
  - (iv) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in respect of the Reference Entity; or
  - (v) provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity; or
- (b) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

**"Permitted Transfer"** means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee.

**"Physical Settlement Adjustment"** means a reduction to the Outstanding Amount of Deliverable Obligations specified in a Notice of Physical Settlement or NOPS Amendment Notice, by an amount of Deliverable Obligations having a liquidation value equal to the Credit Unwind Costs (only if positive) rounded upwards to the nearest whole denomination of a Deliverable Obligation, such amount to be determined by the Calculation Agent. For the avoidance of doubt, if the Final Terms specify that Credit Unwind Costs are not applicable, the Physical Settlement Adjustment shall be zero.

**"Physical Settlement Adjustment Rounding Amount"** means an amount (if any) equal to the difference between the absolute value of the Physical Settlement Adjustment and the liquidation value of such whole

number of Deliverable Obligations as are not required to be Delivered by the Issuer by way of compensation for any Credit Unwind Costs.

**"Physical Settlement Date"** means the last day of the longest Physical Settlement Period following the NOPS Cut-off Date as specified in relation to a Reference Entity as the Calculation Agent may designate.

**"Physical Settlement Matrix"** means the Credit Derivatives Physical Settlement Matrix Supplement to the Credit Derivatives Definitions, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in relation to a Reference Entity) and as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto), provided that any reference therein to:

- (a) "Confirmation" shall be deemed to be a reference to the Final Terms;
- (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency;
- (c) "Section 1.32" shall be deemed to be a reference to "Credit Event Notice" as defined in this Annex 12;
- (d) "Section 1.33" shall be deemed to be a reference to Credit Security Condition 11(a); and
- (e) "Section 8.19" shall be deemed to be a reference to "Physical Settlement Period" as defined in this Annex 12.

**"Physical Settlement Period"** means, subject to Credit Security Condition 2(e), the number of Credit Security Business Days specified as such in relation to a Reference Entity or, if a number of Credit Security Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the longest number of Credit Security Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent, provided that if the Issuer or Calculation Agent (on its behalf) intends to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be thirty Business Days.

**"Post Dismissal Additional Period"** means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is 15 Business Days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date or, as applicable, the Issue Date)).

**"Potential Cash Settlement Event"** means an event beyond the control of the Issuer (including, without limitation, failure of the relevant clearance system; or the failure to obtain any requisite consent with respect to the Delivery of Loans or the non-receipt of any such requisite consents or any relevant participation (in the case of Direct Loan Participation) is not effected; or due to any law, regulation or court order, but excluding market conditions, or any contractual, statutory and/or regulatory restriction relating to the relevant Deliverable Obligation, or due to the failure of the Holder to give the Issuer details of accounts for settlement; or a failure of the Holder to open or procure the opening of such accounts or if the Holders are unable to accept Delivery of the portfolio of Deliverable Obligations for any other reason).

**"Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

**"Potential Repudiation/Moratorium"** means the occurrence of an event described in sub-paragraph (a) of the definition of "Repudiation/Moratorium".

**"Prior Deliverable Obligation"** means:

- (a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or
- (b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

**"Prior Reference Obligation"** means, in circumstances where there is no Reference Obligation applicable to a Reference Entity, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the related Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

**"Private-side Loan"** means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

**"Prohibited Action"** means any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event") or right of set-off by or of the Reference Entity or any applicable Underlying Obligor.

**"Public Source"** means each source of Publicly Available Information specified as such in the related Final Terms (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources).

**"Publicly Available Information"** means information that reasonably confirms any of the facts relevant to the determination that the Credit Event described in a Credit Event Notice has occurred and which:

- (i) has been published in or on not less than the Specified Number of Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information);
- (ii) is information received from or published by (A) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign), or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or
- (iii) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in paragraphs (ii) or (iii) above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

In relation to any information of the type described in (ii) or (iii) above, the Calculation Agent, the Issuer and/or any other party receiving such information may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.

Without limitation, Publicly Available Information need not state (i) in relation to the "Downstream Affiliate" definition, the percentage of Voting Shares owned by the Reference Entity and (ii) that the relevant occurrence (A) has met the Payment Requirement or Default Requirement, (B) is the result of exceeding any applicable Grace Period, or (C) has met the subjective criteria specified in certain Credit Events.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (a) and (b) of the definition of "Repudiation/Moratorium".

**"Qualifying Affiliate Guarantee"** means a Qualifying Guarantee provided by the Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

- (a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:
  - (i) by payment;
  - (ii) by way of Permitted Transfer;
  - (iii) by operation of law;
  - (iv) due to the existence of a Fixed Cap; or
  - (v) due to:
    - (A) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity; or
    - (B) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in respect of the Reference Entity.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of "Bankruptcy" in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and
- (y) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

**"Qualifying Participation Seller"** means any participation seller that meets the requirements specified in relation to a Reference Entity. If no such requirements are specified, there shall be no Qualifying Participation Seller.

**"Quantum of the Claim"** means the lowest amount of the claim which could be validly asserted against the Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount.

**"Quotation"** means, in respect of any Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as the case may be, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, with respect to a Valuation Date in the manner that follows:

The Calculation Agent shall attempt to obtain Full Quotations with respect to each Relevant Valuation Date from five or more Credit Security Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Credit Security Business Day within three Credit Security Business Days of a Relevant Valuation Date, then on the next following Credit Security Business Day (and, if necessary, on each Credit Security Business Day thereafter until the tenth Credit Security Business Day following the applicable Relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Credit Security Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Credit Security Business Day on or prior to the tenth Credit Security Business Day following the applicable Relevant Valuation Date the Quotations shall be deemed to be any Full Quotation obtained from a Credit Security Dealer at the Valuation Time on such tenth Credit Security Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Credit Security Dealers at the Valuation Time on such tenth Credit Security Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation shall be deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

**"Quotation Amount"** means:

- (a) with respect to a Reference Obligation, the amount specified in relation to a Reference Entity (which may be specified by reference to an amount in a currency or by reference to the Representative

Amount) or, if no amount is so specified, the Reference Entity Notional Amount (or, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained);

- (b) with respect to each type or issue of Deliverable Obligation to be Delivered on or prior to the Physical Settlement Date, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (a) above) of such Deliverable Obligation; and
- (c) with respect to each type or issue of Undeliverable Obligation, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (a) above) of such Undeliverable Obligation.

**"Recovery Amount"** means, in respect of Tranchéd Credit Securities, a Reference Entity and a Final Price Calculation Date, an amount calculated on that Final Price Calculation Date equal to:

- (a) the lesser of 100 per cent. and either (i) the Auction Final Price or (ii) if Cash Settlement applies, the Weighted Average Final Price (or, if so specified in the Final Terms, the Final Price or such other price specified therein) for that Reference Entity as of such Final Price Calculation Date; multiplied by
- (b) the Reference Entity Notional Amount for that Reference Entity, as at the relevant Event Determination Date,

subject to a minimum of zero.

**"Recovery Threshold Amount"** means, in respect of Tranchéd Credit Securities, an amount equal to (a) the Implicit Portfolio Size multiplied by (b) 100 per cent. minus the Exhaustion Point.

**"Redemption Preliminary Amount"** means, in respect of any Tranchéd Credit Security and any relevant date, an amount (subject to a minimum of zero) equal to:

- (a) the Outstanding Principal Amount of such Credit Security (for the avoidance of doubt as reduced at or prior to such time); minus
- (b) its pro rata share of the Unsettled Retention Amount.

**"Redemption Residual Amount"** means, in respect of any Tranchéd Credit Security and any relevant date, its remaining Outstanding Principal Amount of the Credit Securities (after deduction of the aggregate Redemption Preliminary Amounts and for the avoidance of doubt, as otherwise reduced at or prior to such time).

**"Reference Entity"** or **"Reference Entities"** means the reference entity or reference entities specified in the Final Terms or, where applicable, identified in a Relevant Annex, and any Successor to a Reference Entity either:

- (a) identified by the Calculation Agent in accordance with the definition of "Successor" on or following the Trade Date or, where applicable, identified by an Index Sponsor; or
- (b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date,

shall, in each case, with effect from the Succession Date, be the Reference Entity for the Credit Securities, as the terms of which may be modified pursuant to Credit Security Condition 9.

**"Reference Entity Notional Amount"** means in respect of any Reference Entity, the amount in which the Issuer has purchased credit protection in respect of such Reference Entity, as set out in the Final Terms or if no such amount is specified:

- (a) in the case of Single Reference Entity Credit Securities or Nth-to-Default Credit Securities where "Multiple Default Triggers" is not applicable, the initial Aggregate Nominal Amount of the Credit Securities;
- (b) in the case of Nth-to-Default Credit Securities where "Multiple Default Triggers" is applicable, an amount equal to (i) the initial Aggregate Nominal Amount of the Credit Securities, divided by (ii)  $(M+1-N)$ ;
- (c) in the case of Basket Credit Securities, if a Reference Entity Weighting is specified or applies in respect of such Reference Entity, being the product of (i) such Reference Entity Weighting and (ii) the initial Aggregate Nominal Amount of the Credit Securities, or, if no such amount is specified (i) the initial Aggregate Nominal Amount of the Credit Securities, divided by (ii) the number of Reference Entities; and
- (d) in the case of Tranched Credit Securities, the Implicit Portfolio Size multiplied by the Reference Entity Weighting for the relevant Reference Entity,

subject to in each case Credit Securities Conditions 9 and 11 and as adjusted by the Calculation Agent to take account of any repurchase or cancellation of Credit Securities or the issuance of any further Credit Securities.

**"Reference Entity Weighting"** means, in respect of a Reference Entity, the weighting as specified in the Final Terms for such Reference Entity.

**"Reference Obligation"** means the Standard Reference Obligation, if any, unless:

- (a) "Standard Reference Obligation" is specified as not applicable in relation to a Reference Entity, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or
- (b) (i) "Standard Reference Obligation" is specified as applicable in relation to a Reference Entity (or no election is specified in relation to a Reference Entity), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in relation to a Reference Entity, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation.

**"Reference Obligation Only"** means any obligation that is a Reference Obligation and no Obligation Characteristics (for purposes of determining Obligations) or, as the case may be, no Deliverable Obligation Characteristics (for purposes of determining Deliverable Obligations) shall be applicable where Reference Obligation Only applies.

**"Reference Obligation Only Trade"** means a Reference Entity in respect of which (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category and (b) "Standard Reference Obligation" is specified as not applicable. If the event set out in paragraph (i) of the definition of "Substitution Event" occurs with respect to the Reference Obligation in a Reference Obligation Only Trade, the Issuer shall redeem or cancel, as applicable, all but not some only of the Credit Securities on a date as specified by notice to the Holders in accordance with Condition 17 on or after the Substitution Event Date, and at an amount (which may be zero) in respect of each Credit Security equal to the fair market value of such Credit Security taking into account the relevant Substitution Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Calculation Agent in a commercially reasonable manner.

Notwithstanding the definition of "Substitute Reference Obligation", (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (ii) if the events set out in paragraphs (ii) or (iii) of the definition of "Substitution Event" occur with respect to the Reference Obligation in a Reference Obligation Only Trade, such Reference Obligation shall continue to be the Reference Obligation.

**"Relevant Annex"** means an annex setting out the Reference Entities for the purposes of the Credit Securities, being the annex specified as such in the Final Terms.

**"Relevant City Business Day"** has the meaning given to that term in the Rules in respect of the relevant Reference Entity.

**"Relevant Guarantee"** means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in respect of the Reference Entity, a Qualifying Guarantee.

**"Relevant Holder"** means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

**"Relevant Obligations"** means the Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

- (a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (b) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under the definition of "Successor", make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;
- (c) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity and "Senior Transaction" is applicable in respect of the Reference Entity, the related Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and
- (d) if "Financial Reference Entity Terms" is specified as applicable in respect of the Reference Entity, and "Subordinated Transaction" is applicable in respect of the Reference Entity, the related Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the

Reference Entity which fall within the Obligation Category "Bond or Loan", provided that if no such Relevant Obligations exist, "Relevant Obligations" shall have the same meaning as it would if the "Senior Transaction" were applicable in respect of the Reference Entity.

**"Relevant Valuation Date"** means the Settlement Valuation Date or Valuation Date, as the case may be.

**"Replaced Deliverable Obligation Outstanding Amount"** means the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced.

**"Replacement Deliverable Obligation"** means each replacement Deliverable Obligation that the Issuer intends to, subject to Credit Security Condition 7, Deliver to the Holders in lieu of each original Deliverable Obligation which has not been Delivered as at the date of such NOPS Amendment Notice.

**"Replacement Reference Entity"** means any entity selected by the Calculation Agent acting in a commercially reasonable manner, which is incorporated in the same geographical area, has the same Transaction Type as the Legacy Reference Entity and which is of a similar or better credit quality than the Legacy Reference Entity, as measured by Standard & Poor's Ratings Services and/or by Moody's Investors Service Ltd., at the date of the relevant Succession Date provided that in selecting any Replacement Reference Entity, the Calculation Agent is under no obligation to the Holders, the Issuer or any other person and, provided that the Successor selected meets the criteria specified above, is entitled, and indeed will endeavour, to select the least credit-worthy of the Successors. In making any selection, the Calculation Agent will not be liable to account to the Holders, the Issuer or any other person for any profit or other benefit to it or any of its affiliates which may result directly or indirectly from any such selection.

**"Representative Amount"** means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

**"Repudiation/Moratorium"** means the occurrence of both of the following events:

- (a) an authorised officer of the Reference Entity or a Governmental Authority:
  - (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
  - (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

**"Repudiation/Moratorium Evaluation Date"** means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date:

- (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of:
  - (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and
  - (ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date); and

- (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium.

"**Resolve**" has the meaning given to that term in the Rules, and "**Resolved**" and "**Resolves**" shall be interpreted accordingly.

"**Restructured Bond or Loan**" means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"**Restructuring**" means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of such Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:
- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
  - (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
  - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
  - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
  - (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).
- (b) Notwithstanding the provisions of (a) above, none of the following shall constitute a Restructuring:
- (i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
  - (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

- (iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (iv) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (a)(v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.
- (c) For the purposes of (a) and (b) above and Credit Security Condition 10(e), the term "Obligation" shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (b) above shall continue to refer to the Reference Entity.
- (d) If an exchange has occurred, the determination as to whether one of the events described under (a)(i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

**"Restructuring Date"** means, with respect to a Restructured Bond or Loan, the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

**"Restructuring Maturity Limitation Date"** means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a **"Latest Maturity Restructured Bond or Loan"**) and the Scheduled Maturity Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

**"Revised Currency Rate"** means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either:

- (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
- (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

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

**"Scheduled Maturity Date"** means the date specified as such in the applicable Final Terms which shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

**"Senior Obligation"** means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

**"Senior Transaction"** means a Reference Entity for which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation.

**"Seniority Level"** means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in respect of the Reference Entity, or (b) if no such seniority level is specified in respect of the Reference Entity, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level".

**"Settlement Currency"** means the currency specified as such in the Final Terms, or if no currency is so specified in the Final Terms, the Specified Currency.

**"Settlement Method"** means the settlement method specified as such in the Final Terms and if no Settlement Method is specified in the Final Terms, Auction Settlement.

**"Settlement Valuation Date"** means the date being three Credit Security Business Days prior to the Delivery Date provided that if a Notice of Physical Settlement or NOPS Amendment Notice, as applicable, is given or, as the case may be, changed at any time after the third Credit Security Business Day prior to the Physical Settlement Date, the Settlement Valuation Date shall be the date which is three Credit Security Business Days after such Notice of Physical Settlement or NOPS Amendment Notice, as applicable, is given.

**"Single Reference Entity Credit Security"** means any Credit Security specified as such in the Final Terms.

**"Solvency Capital Provisions"** means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

**"Sovereign"** means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

**"Sovereign No Asset Package Delivery Supplement"** means the 2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions, as published by ISDA.

**"Sovereign Restructured Deliverable Obligation"** means an Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation set out in paragraph (a) of the definition of "Deliverable Obligation" immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

**"Sovereign Succession Event"** means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

**"Specified Currency"** means an obligation that is payable in the currency or currencies specified as such in respect of the Reference Entity (or, if "Specified Currency" is specified in respect of the Reference Entity and no currency is so specified, any Standard Specified Currency), provided that if the euro is a Specified Currency, "Specified Currency" shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a

Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

**"Specified Number"** means the number of Public Sources specified in respect of the Reference Entity (or, if no such number is specified, two).

**"SRO List"** means the list of Standard Reference Obligations as published by ISDA on its website at [www.isda.org](http://www.isda.org) from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time.

**"Standard Reference Obligation"** means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

**"Standard Specified Currencies"** means each of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

**"Steps Plan"** means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

**"Subordinated Obligation"** means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

**"Subordinated Transaction"** means a Reference Entity for which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

**"Subordination"** means, with respect to an obligation (the **"Second Obligation"**) and another obligation of the Reference Entity to which such obligation is being compared (the **"First Obligation"**), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganization or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation, or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. **"Subordinated"** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

**"Substitute Reference Obligation"** means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the Non-Standard Reference Obligation, determined by the Calculation Agent as follows:

- (a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with paragraphs (c), (d) and (e) below to replace the Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.
- (b) If any of the events set forth under paragraphs (i) or (iii) of the definition of "Substitution Event" have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic and paragraph (c)(ii) below). If the event set forth in paragraph (ii) of the definition of "Substitution Event" has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under paragraphs (i) or (iii) of the definition of "Substitution Event" occur with respect to such Non-Standard Reference Obligation.
- (c) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:
  - (i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);
  - (ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and
  - (iii) (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:
    - (I) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,
    - (II) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation";
  - (B) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:
    - (I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
    - (II) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,
    - (III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,

- (IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or
- (C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
  - (I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
  - (II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
  - (III) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of "Deliverable Obligation"; or if no such obligation is available,
  - (IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of "Deliverable Obligation".
- (d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in paragraph (c), the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Credit Securities, as determined by the Calculation Agent. The Substitute Reference Obligation determined by the Calculation Agent shall, without further action, replace the Non-Standard Reference Obligation.
- (e) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to paragraph (a) and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with paragraph (b), the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

**"Substitute Reference Obligation Resolution Request Date"** means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve a Substitute Reference Obligation to the Non-Standard Reference Obligation, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

**"Substitution Date"** means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent identifies the Substitute Reference Obligation in accordance with the definition of "Substitute Reference Obligation".

**"Substitution Event"** means, with respect to the Non-Standard Reference Obligation:

- (i) the Non-Standard Reference Obligation is redeemed in whole;
- (ii) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or

- (iii) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee).

For purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in paragraphs (i) or (ii) of the definition of "Substitution Event" has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to such paragraph (i) or (ii), as the case may be, on the Trade Date.

**"Substitution Event Date"** means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

**"succeed"** for the purposes of the provisions relating to the determination of a Successor and the definitions of "Successor" and "Sovereign Succession Event", means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the **"Exchange Bonds or Loans"**) that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of the provisions relating to the determination of a Successor and the definitions of "Successor" and "Sovereign Succession Event", **"succeeded"** and **"succession"** shall be construed accordingly.

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the definition of "Successor" would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of an Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

**"Successor Backstop Date"** means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Calculation Agent determines a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) has occurred and (ii) the Successor Resolution Request Date, in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Calculation Agent determines, not more than fifteen Credit Security Business Days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) has occurred. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

**"Successor"** means, subject to Credit Security Condition 9(a)(ii), the entity or entities, if any, determined as follows:

- (a) subject to paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of the relevant Reference Entity;

- (b) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor in respect of the relevant Reference Entity;
- (c) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor;
- (d) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor;
- (e) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;
- (f) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor); and
- (g) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor for the relevant Reference Entity.

"**Successor Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to the Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"**Surviving Reference Entity**" has the meaning given to such term in Credit Security Condition 9(c)(ii) above.

"**TARGET Settlement Day**" means any day on which TARGET2 (the Trans-European Automated Real-time Gross settlement Express Transfer system) is open.

"**Trade Date**" means the date specified as such in the Final Terms.

"**Tranche Size**" means, in respect of Tranchéd Credit Securities, the Exhaustion Point minus the Attachment Point.

**"Tranched Credit Securities"** means Credit Securities where the Issuer purchases credit protection from the Holders in respect of a tranching basket of Reference Entities (other than on an Nth-to-default basis), as specified in the Final Terms.

**"Transaction Auction Settlement Terms"** means, in respect of any Reference Entity and a related Credit Event, the Credit Derivatives Auction Settlement Terms published by ISDA in respect of such Credit Event and in respect of which the Notional Credit Derivative Transaction would be an Auction Covered Transaction.

**"Transaction Type"** means, unless otherwise specified in the Final Terms, each "Transaction Type" specified as such in the Physical Settlement Matrix from time to time.

**"Transferable"** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

- (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);
- (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
- (c) restrictions in respect of blocked periods on or around payment dates or voting periods.

**"Undeliverable Obligation"** means a Deliverable Obligation included in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, which, on the Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure by the Holder to deliver an Asset Transfer Notice, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the Delivery of Loans) it is impossible or illegal to Deliver on the Settlement Date.

**"Underlying Finance Instrument"** means where the LPN Issuer provides finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument.

**"Underlying Loan"** means where the LPN Issuer provides a loan to the Reference Entity.

**"Underlying Obligation"** means, with respect to a guarantee, the obligation which is the subject of the guarantee.

**"Underlying Obligor"** means with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

**"Unsettled Credit Event"** means any Event Determination Date in respect of a Reference Entity for which the related Final Price Calculation Date has not occurred.

**"Unsettled Retention Amount"** means, in respect of Tranching Credit Securities in respect of which one or more Unsettled Credit Events has occurred, the sum of the maximum aggregate Incurred Loss Amounts and maximum aggregate Incurred Recovery Amounts which could be determined (assuming an Auction Final Price, Weighted Average Final Price or Final Price of zero in respect of each Unsettled Credit Event).

**"Valuation Date"** means:

- (a) any Credit Security Business Day falling between the 55<sup>th</sup> and the 122<sup>nd</sup> Credit Security Business Day following the Event Determination Date (or, if the Event Determination Date occurs pursuant to subparagraph (b) above of the definition of "Event Determination Date", the day on which the DC Credit Event Announcement occurs, if later), or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent in its sole and absolute discretion); or
- (b) if "Cash Settlement" is applicable as a Fallback Settlement Method, any Credit Security Business Day falling between the 55<sup>th</sup> and the 122<sup>nd</sup> Credit Security Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent in its sole and absolute discretion); or
- (c) if Partial Cash Settlement applies, the date which is up to fifteen Credit Security Business Days after the Latest Permissible Physical Settlement Date or, as applicable the Extended Physical Settlement Date (as selected by the Calculation Agent in its sole and absolute discretion).

**"Valuation Obligation"** means, in respect of a Reference Entity, notwithstanding anything to the contrary in the Credit Security Conditions, one or more obligations of such Reference Entity (either directly or as provider of a Relevant Guarantee) which is capable of being specified in a Notice of Physical Settlement (or in any NOPS Amendment Notice, as applicable) if Physical Settlement were the applicable Settlement Method and/or any Asset in the related Asset Package in respect of a Prior Deliverable Obligation or Package Observable Bond, in each case, as selected by the Issuer in its sole and absolute discretion on or prior to the applicable Valuation Date, provided that, for such purpose:

- (a) any reference to "Delivery Date" or "NOPS Effective Date" in the definitions of "Conditionally Transferable Obligation", "Deliverable Obligation", within any of the terms comprising "Deliverable Obligation Category" or "Deliverable Obligation Characteristic" and "Due and Payable Amount" shall be deemed to be a reference to the words "Relevant Valuation Date"; and
- (b) in respect of any Asset in the related Asset Package in respect of a Prior Deliverable Obligation or Package Observable Bond, any reference to "Outstanding Principal Balance", "Due and Payable Amount" or "Outstanding Amount" in the definitions of "Final Price", "Full Quotation", "Quotation", "Quotation Amount" and "Weighted Average Quotation" shall be deemed to be a reference to the words "Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event".

For the avoidance of doubt, the use of Deliverable Obligation terms in the definition of "Valuation Obligation" is for convenience only and is not intended to amend the selected settlement method.

**"Valuation Obligations Portfolio"** means one or more Valuation Obligations of a Reference Entity selected by the Calculation Agent in its discretion, each in an Outstanding Amount (or, as the case may be, an Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event) selected by the Calculation Agent in its sole and absolute discretion (and references to "Quotation Amount" shall be construed accordingly), provided that the aggregate of such Outstanding Amounts (or in each case the equivalent in the Specified Currency thereof (converted at the foreign exchange rate prevailing on any date from (and including) the Event Determination Date to (and including) the Valuation Date, as selected by the Calculation Agent in its sole and absolute discretion)), shall not exceed the relevant Reference Entity Notional Amount.

**"Valuation Time"** means the time specified in relation to a Reference Entity or, if no such time is specified, 11:00 a.m. in the principal trading market for the relevant Valuation Obligation or Undeliverable Obligation, as the case may be.

**"Voting Shares"** means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

**"Weighted Average Final Price"** means the weighted average of the Final Prices determined for each selected Valuation Obligation in the Valuation Obligations Portfolio, weighted by the Currency Amount of each such Valuation Obligation (or its equivalent in the Settlement Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time of such determination). If Credit Security Condition 2(b) is specified as not applicable in the Final Terms, the Weighted Average Final Price shall be zero and if the Final Price is specified in the Final Terms, such price shall be the Weighted Average Final Price.

**"Weighted Average Quotation"** means, in accordance with the bid quotations provided by the Credit Security Dealers, the weighted average of firm quotations obtained from the Credit Security Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable (or its equivalent in the relevant currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time of such determination), of as large a size as available but less than the Quotation Amount (in the case of Deliverable Obligations only, but of a size at least equal to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

**"Writedown Amount"** means, in respect of an Event Determination Date relating to a Reference Entity, the aggregate of the Incurred Loss Amounts (if any) and Incurred Recovery Amounts (if any) for the related Final Price Calculation Date and any related Aggregate Credit Unwind Costs.

## ANNEX A TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES

### AUCTION SETTLEMENT

Capitalized terms used but not defined in this summary have the meaning specified in the Rules and the Form of Auction Settlement Terms (as defined below or in Annex B to the Additional Terms and Conditions for Credit Securities). All times of day in this summary refer to such times in London.

#### **Publication of Credit Derivatives Auction Settlement Terms**

A Credit Derivatives Determinations Committee may determine that a Credit Event has occurred in respect of a Reference Entity (such entity, an "**Affected Reference Entity**") and that one or more auctions will be held in order to settle affected transactions referencing such Affected Reference Entity based upon a specified Auction Final Price determined in accordance with an auction procedure (each, an "**Auction**"). If an Auction is to be held, the Credit Derivatives Determinations Committee will publish Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, based upon the Form of Auction Settlement Terms first published as Annex B to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions, published by the International Swaps and Derivatives Association, Inc. ("ISDA") on 12 March 2009 (the "**Form of Auction Settlement Terms**"). Holders should note that the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and that this summary may therefore not be accurate in all cases. The following does not purport to be a complete summary and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the "**Auction Methodology**"). The Auction and the Auction Methodology apply to credit default swaps on the Reference Entity and do not apply specifically to the Credit Securities. A copy of the Form of Auction Settlement Terms may be inspected at the offices of the Issuer and is also currently available at [www.isda.org](http://www.isda.org) (or any successor website thereto). The Credit Derivatives Determinations Committee will additionally make several related determinations, including the date on which the Auction will be held (the "**Auction Date**"), the institutions that will act as participating bidders in the Auction (the "**Participating Bidders**") and the supplemental terms that are detailed in Schedule 1 to the Form of Auction Settlement Terms. The Credit Derivatives Determinations Committee may also amend the Form of Auction Settlement Terms for a particular auction and may determine that a public comment period is necessary in order to effect such an amendment if such amendment is not contemplated by the Rules.

#### **Auction Methodology**

##### *Determining the Auction Currency Rate*

On the Auction Currency Fixing Date, the Administrators will determine the rate of conversion (each, an "Auction Currency Rate") as between the Relevant Currency and the currency of denomination of each Deliverable Obligation (each, a "Relevant Pairing") by reference to a Currency Rate Source or, if such Currency Rate Source is unavailable, by seeking mid-market rates of conversion from Participating Bidders (determined by each such Participating Bidder in a commercially reasonable manner) for each such Relevant Pairing. If rates of conversion are sought from Participating Bidders and more than three such rates are obtained by the Administrators, the Auction Currency Rate will be the arithmetic mean of such rates, without regard to the rates having the highest and lowest values. If exactly three rates are obtained, the Auction Currency Rate will be the rate remaining after disregarding the rates having the highest and lowest values. For this purpose, if more than one rate has the same highest or lowest value, then one of such rates shall be disregarded. If fewer than three rates are obtained, it will be deemed that the Auction Currency Rate cannot be determined for such Relevant Pairing.

##### *Initial Bidding Period*

During the Initial Bidding Period, Participating Bidders will submit to the Administrators: (a) Initial Market Bids; (b) Initial Market Offers; (c) Dealer Physical Settlement Requests; and (d) Customer Physical Settlement Requests (to the extent received from customers).

Initial Market Bids and Initial Market Offers are firm quotations, expressed as percentages, to enter into credit derivative transactions in respect of the Affected Reference Entity on terms equivalent to the Representative Auction-Settled Transaction.

The Initial Market Bid and Initial Market Offer submitted by each Participating Bidder must differ by no more than the designated Maximum Initial Market Bid-Offer Spread and must be an integral multiple of the Relevant Pricing Increment (each as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity). The Initial Market Bid must be less than the Initial Market Offer.

Dealer Physical Settlement Requests and Customer Physical Settlement Requests are firm commitments, submitted by a Participating Bidder, on its own behalf or on behalf of a customer, as applicable, to enter into a Representative Auction-Settled Transaction, in each case, as seller (in which case, such commitment will be a "Physical Settlement Buy Request") or as buyer (in which case, such commitment will be a "Physical Settlement Sell Request"). Each Dealer Physical Settlement Request must be, to the best of such Participating Bidder's knowledge and belief, in the same direction as, and not in excess of, its Market Position. Each Customer Physical Settlement Request must be, to the best of the relevant customer's knowledge and belief (aggregated with all Customer Physical Settlement Requests submitted by such customer), in the same direction as, and not in excess of, its Market Position.

If the Administrators do not receive valid Initial Market Bids and Initial Market Offers from at least a minimum number of Participating Bidders (as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity), the timeline will be adjusted and the Initial Bidding Period extended, with the Auction recommencing at such time(s) specified by the Administrators, otherwise it will proceed as follows.

#### *Determination of Open Interest, Initial Market Midpoint and Adjustment Amounts*

The Administrators will calculate the Open Interest, the Initial Market Midpoint and any Adjustment Amounts in respect of the Auction.

The Open Interest is the difference between all Physical Settlement Sell Requests and all Physical Settlement Buy Requests.

To determine the Initial Market Midpoint, the Administrators will: (a) sort the Initial Market Bids in descending order and the Initial Market Offers in ascending order, identifying non-tradeable markets for which bids are lower than offers; (b) sort non-tradeable markets in terms of tightness of spread between Initial Market Bid and Initial Market Offer; and (c) identify that half of the non-tradeable markets with the tightest spreads. The Initial Market Midpoint is determined as the arithmetic mean of the Initial Market Bids and Initial Market Offers contained in the half of non-tradeable markets with the tightest spreads.

Any Participating Bidder whose Initial Market Bid or Initial Market Offer forms part of a tradeable market will be required to make a payment to ISDA on the third Business Day after the Auction Final Price Determination Date (an "**Adjustment Amount**"), calculated in accordance with the Auction Methodology. Any payments of Adjustment Amounts shall be used by ISDA to defray any costs related to any auction that ISDA has coordinated, or that ISDA will in the future coordinate, for purposes of settlement of credit derivative transactions.

If for any reason no single Initial Market Midpoint can be determined, the procedure set out above may be repeated.

At or prior to the Initial Bidding Information Publication Time on any day on which the Initial Bidding Period has successfully concluded, the Administrators publish the Open Interest, the Initial Market Midpoint and the details of any Adjustment Amounts in respect of the Auction.

If the Open Interest is zero, the Auction Final Price will be the Initial Market Midpoint.

#### *Submission of Limit Order Submissions*

In the event that the Open Interest does not equal zero, a subsequent bidding period will be commenced during the Initial Bidding Period which: (a) if the Open Interest is an offer to sell Deliverable Obligations, Participating Bidders submit Limit Bids; or (b) if the Open Interest is a bid to purchase Deliverable Obligations, Limit Offers, in each case, on behalf of customers and for their own account.

#### *Matching bids and offers*

If the Open Interest is a bid to purchase Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Offers and Limit Offers, as further described in the Auction Methodology. If the Open Interest is an offer to sell Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Bids and Limit Bids, as further described in the Auction Methodology.

#### *Auction Final Price when the Open Interest is Filled*

The Auction Final Price will be the price associated with the matched Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, that is the highest offer or the lowest bid, as applicable, provided that: (a) if the Open Interest is an offer to sell and the price associated with the lowest matched bid exceeds the Initial Market Midpoint by more than the "Cap Amount" (being the percentage that is equal to one half of the Maximum Initial Market Bid-Offer Spread (rounded to the nearest Relevant Pricing Increment)), then the Auction Final Price will be the Initial Market Midpoint plus the Cap Amount; and (b) if the Open Interest is a bid to purchase and the Initial Market Midpoint exceeds the price associated with the highest offer by more than the Cap Amount, then the Auction Final Price will be the Initial Market Midpoint minus the Cap Amount.

#### *Auction Final Price when the Open Interest is Not Filled*

If, once all the Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, have been matched to the Open Interest, part of the Open Interest remains, the Auction Final Price will be: (a) if the Open Interest is a bid to purchase Deliverable Obligations, the greater of (i) zero, and (ii) the highest Limit Offer or Initial Market Offer received; or (b) if the Open Interest is an offer to sell Deliverable Obligations, zero.

#### *100 per cent. Cap to Auction Final Price*

In all cases, if the Auction Final Price determined pursuant to the Auction Methodology is greater than 100 per cent., then the Auction Final Price will be deemed to be 100 per cent.

#### *Publication of Auction Final Price*

At or prior to the Subsequent Bidding Information Publication Time on any day on which the subsequent bidding period has successfully concluded, the Administrators will publish on their websites: (a) the Auction Final Price; (b) the names of the Participating Bidders who submitted bids, offers, valid Dealer Physical Settlement Requests and valid Customer Physical Settlement Requests, together with the details of all such bids and offers submitted by each; and (c) the details and size of all matched trades.

## **Restructuring**

Following certain Restructuring credit events, more than one auction may be held and there may be more than one Auction Final Price and credit default swaps are grouped into buckets by maturity and depending on which party triggers the credit default swap. Deliverable obligations will be identified for each bucket (any deliverable obligations included in a shorter bucket will also be deliverable for all longer buckets). If the Credit Derivatives Determinations Committee determines to hold an auction for a particular bucket, then that auction will be held according to the existing auction methodology that has previously been used for Bankruptcy and Failure to Pay credit events as described in the summary below, except that the deliverable obligations will be limited to those falling within the relevant maturity bucket.

#### **Execution of Trades Formed in the Auction**

Each Participating Bidder whose Limit Bid or Initial Market Bid (or Limit Offer or Initial Market Offer if applicable) is matched against the Open Interest, and each Participating Bidder that submitted a Customer Physical Settlement Request or Dealer Physical Settlement Request, is deemed to have entered into a Representative Auction-Settled Transaction, and each customer that submitted such a Limit Bid, Limit Offer, or Physical Settlement Request is deemed to have entered into a Representative Auction-Settled Transaction with the dealer through whom the customer submitted such bid or offer. Accordingly, each such Participating Bidder or customer that is a seller of Deliverable Obligations pursuant to a trade formed in the auction must deliver to the buyer to whom such Participating Bidder or customer has been matched a Notice of Physical Settlement indicating the Deliverable Obligations that it will deliver, and such Deliverable Obligations will be sold to the buyer in exchange for payment of the Auction Final Price.

#### **Timing of Auction Settlement Provisions**

If an Auction is held in respect of an Affected Reference Entity, it is expected that the relevant Auction Date will occur on the third Business Day immediately prior to the 30th calendar day after which the relevant Credit Derivatives Determinations Committee received the request from an eligible market participant (endorsed by a member of the relevant Credit Derivatives Determinations Committee) to resolve whether a Credit Event has occurred with respect to such Reference Entity.

In respect of an Affected Reference Entity for which an Auction is held, the Auction Settlement Date will occur on a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

## **ANNEX B TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES**

### **CREDIT DERIVATIVES DETERMINATIONS COMMITTEES**

In making certain determinations with respect to the Credit Securities, the Calculation Agent may but is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committees. This Annex sets forth a summary of the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) as of 20 January 2016 (the "Rules") and is subject to the rules as published by ISDA from time to time and as amended from time to time. This summary is not intended to be exhaustive and prospective investors should also read the Rules and reach their own views prior to making any investment decisions. A copy of the Rules published by ISDA is available at: [www.isda.org](http://www.isda.org) (or any successor website thereto).

Capitalised terms used but not defined in this summary have the meaning specified in the Final Terms or the Rules, as applicable.

#### **Establishment of the Credit Derivatives Determinations Committees**

In accordance with the Rules, a Credit Derivatives Determinations Committee has been formed for each of the regions of (a) the Americas, (b) Asia Ex-Japan, (c) Australia-New Zealand, (d) Europe, Middle East and Africa and (e) Japan. As of the date hereof, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees. See "Risk Factors – Conflicts of Interest – Credit Derivatives Determinations Committees" for additional information regarding conflicts of interest. The Credit Derivatives Determinations Committees will act in accordance with the Rules and will make determinations that are relevant for Credit Derivative Transactions that incorporate, or are deemed to incorporate, the 2014 ISDA Credit Derivatives Definitions (the "2014 Definitions"). ISDA will serve as the secretary of each Credit Derivatives Determinations Committee and will perform administrative duties and make certain determinations as provided for under the Rules.

#### **Decision-making Process of the Credit Derivatives Determinations Committees**

Each DC Resolution by a Credit Derivatives Determinations Committee will apply to Credit Derivative Transactions that incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions (depending on the applicable "Coverage Election" and subsequent determinations of the Credit Derivatives Determinations Committee) and for which the relevant provisions are not materially inconsistent with the provisions with respect to which the Credit Derivatives Determinations Committee bases its determination. As a result, determinations by the Credit Derivatives Determinations Committees are not applicable to the Holders, unless specified otherwise in the terms of the Credit Securities. The Credit Derivatives Determinations Committees shall have no ability to amend the terms of the Credit Securities. Furthermore, the institutions on the Credit Derivatives Determinations Committees owe no duty to the Holders. See "Risk Factors - Rights Associated with Credit Derivatives Determinations Committees" for further information. The terms of the Credit Securities provide that the Holders will be subject to certain determinations by the Credit Derivatives Determinations Committees. The Credit Derivatives Determinations Committees will be able to make determinations without action or knowledge by the Holders.

A Credit Derivatives Determinations Committee will be convened upon referral of (i) a question to ISDA by an identified eligible market participant and the agreement of at least one of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question, or (ii) a question to ISDA by an unidentified eligible market participant and the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question, or (iii) a question to ISDA by an eligible market participant which is an Eligible CCP (being an eligible clearing entity) and such question is not designated as a "General Interest Question" and relates to an eligible cleared Reference Entity with respect to such Eligible CCP and to certain specified matters such as a Credit Event, Potential Repudiation/Moratorium and/or Successor. ISDA will convene the Credit

Derivatives Determinations Committee for the region to which the referred question relates, as determined in accordance with the Rules. Any party to a transaction that incorporates, or is deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions may refer a question to ISDA for a Credit Derivatives Determinations Committee to consider. Therefore, a binding determination may be made with respect to the Credit Securities without any action by the Holders. Holders (in their capacity as holders of the Credit Securities) will not be able to refer questions to the Credit Derivatives Determinations Committees.

Once a question is referred to a Credit Derivatives Determinations Committee, a DC Resolution may result quickly, as a binding vote usually must occur within two business days of the first meeting held with respect to such question unless the timeframe is extended by agreement of at least 80% of the voting members participating in a vote held in accordance with the Rules. In addition, voting members of the Credit Derivatives Determinations Committees are required to participate in each binding vote, subject only to limited abstention rights. Notices of questions referred to the Credit Derivatives Determinations Committees, meetings held to deliberate such questions, meeting statements and the results of binding votes will be published on the ISDA website and neither the Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Holders of such information (other than as expressly provided in the Final Terms). Holders shall therefore be responsible for obtaining such information. See "Risk Factors – Rights Associated with Credit Derivatives Determinations Committees".

The Credit Derivatives Determinations Committees have the ability to make determinations that may materially affect the Holders. The Credit Derivatives Determinations Committees will be able to make a broad range of determinations in accordance with the Rules that may be relevant to the Credit Securities and materially affect the Holders. For each of the general types of questions discussed below, the Credit Derivatives Determinations Committees may determine component questions that arise under the 2014 Definitions or the Updated 2003 Definitions, or the Rules and that are related to the initial question referred. Since the terms governing the credit-linked elements of the Credit Securities are substantially similar to the 2014 Definitions or, as the case may be, the Updated 2003 Definitions, such determinations may affect the Holders, as further described below.

### **Credit Events**

The Credit Derivatives Determinations Committees will be able to determine whether a Credit Event has occurred and, if applicable, the date of such Credit Event. Related questions that are also within the scope of the Credit Derivatives Determinations Committees are whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred. In addition, the Credit Derivatives Determinations Committees will also determine, where necessary, whether the required Publicly Available Information has been provided. Each of these determinations, other than whether the required Publicly Available Information has been provided, requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules in order to avoid the referral of the question to the external review process, as described further below. The determination of whether the required Publicly Available Information has been provided requires the agreement of at least a majority of the voting members participating in a binding vote held in accordance with the Rules and is not eligible for external review. Each of these determinations may affect whether an Event Determination Date will occur under the Credit Securities. If the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred with respect to one of the Reference Entity(ies) on or after the Credit Event Backstop Date, then an Event Determination Date is deemed to have occurred in respect of the Credit Securities.

### **Successors**

The Credit Derivatives Determinations Committees will be able to determine whether there are any Successor or Successors to a Reference Entity and the relevant Succession Date. In addition, the Credit Derivatives Determinations Committees will also determine the identity of the Successor(s) in accordance with the Rules. For a Reference Entity that is not a Sovereign, the Credit Derivatives Determinations Committees will determine the Relevant Obligation(s) of the Reference Entity (including any adjustments required to be made if there is a Steps Plan), the proportion of the

Relevant Obligation(s) to which each purported Successor succeeds and the Succession Date. For a Reference Entity that is a Sovereign, the Credit Derivatives Determinations Committees will determine the Relevant Obligation(s) of the Reference Entity (including any adjustments to be made if there is a Steps Plan), whether a Sovereign Succession Event has occurred, if so the proportion of the Relevant Obligation(s) to which each purported Successor succeeds, and the Succession Date. Each of these determinations requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules in order to avoid the referral of the question to the external review process, as described further below, except for the actual identification of the Successor(s) for a Reference Entity (which only requires a majority and is not eligible for external review). The Calculation Agent may use the relevant DC Resolutions of the Credit Derivatives Determinations Committees in order to determine Successor(s) to the Reference Entity(ies).

### **Other Questions**

The Credit Derivatives Determinations Committees will be able to determine whether circumstances have occurred that require a Substitute Reference Obligation to be identified and, if so, the appropriate Substitute Reference Obligation. The Credit Derivatives Determinations Committees may also make determinations in relation to (i) Standard Reference Obligations and if applicable replacement Standard Reference Obligations in accordance with the Standard Reference Obligation Rules and (ii) whether or not Asset Package Delivery is applicable pursuant to the 2014 Definitions and if so, any Asset Package relating to a Prior Deliverable Obligation or Package Observable Bond, as applicable. In addition, the Credit Derivatives Determinations Committees will be able to determine whether an entity that acts as seller of protection under one or more transactions (such entity, the "Relevant Seller") or a Reference Entity has consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, the Reference Entity or the Relevant Seller, as applicable, or that the Relevant Seller and the Affected Reference Entity have become Affiliates. Each of these determinations requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules in order to avoid the referral of the question to the external review process, as described further below. The Calculation Agent may follow such DC Resolutions in making the equivalent determinations with respect to the Credit Securities.

The Credit Derivatives Determinations Committees will be able to determine other referred questions that are relevant to the credit derivatives market as a whole and are not merely a matter of bilateral dispute. Such questions require the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the Rules for each Credit Derivatives Determinations Committee implicated by the relevant question, as determined in accordance with the Rules, in order to avoid the possible referral of the question to the external review process, as described further below. Furthermore, the question relating to such DC Resolution may also be referred to the external review process if at least a majority of the voting members participating in a binding vote held in accordance with the Rules agree. Any guidance given by the Credit Derivatives Determinations Committees with respect to questions of interpretation of the 2014 Definitions or, as the case may be, the Updated 2003 Definitions are likely to influence the Calculation Agent in interpreting equivalent provisions under the Notes.

Any such question can be submitted to the Credit Derivatives Determinations Committees by an unidentified eligible market participant for deliberation. The relevant Credit Derivatives Determinations Committee(s) will deliberate such question upon the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question. Once the deliberations on such question have commenced, the relevant Credit Derivatives Determinations Committee will proceed in accordance with the procedures described above with respect to the relevant question category, except that the identity of the eligible market participant who submitted the question will not be revealed to the members of the Credit Derivatives Determinations Committees or the general public.

### **External Review**

As described immediately above, certain questions deliberated by the Credit Derivatives Determinations Committees are subject to an external review process if the required threshold is not met during the binding vote held with respect to

such question. For such questions, if at least 80% of the voting members participating in a binding vote held in accordance with the Rules fail to agree, the question will be automatically referred to the external review process. Questions that are not eligible for external review often require only a simple majority of participating voting members to agree in order to reach a DC Resolution.

Questions referred to external review will be considered by a panel of three independent individuals who will be selected by either the relevant Credit Derivatives Determinations Committee or by ISDA at random. The default duration of the external review process (which can be modified by the relevant Credit Derivatives Determinations Committee in accordance with the Rules) is twelve business days from the referral of the question and contemplates the receipt of both written submissions and oral argument. Any member of ISDA may provide written submissions to the external reviewers, which will be made available to the public on the ISDA website, and the conclusion reached in accordance with the external review process will be binding on the Holders. In instances where the vote of the relevant Credit Derivatives Determinations Committee was less than or equal to 60%, the decision of a majority of the external reviewers will be determinative. However, in instances where the vote of the relevant Credit Derivatives Determinations Committee was between 60% and 80%, all three external reviewers must agree in order to overturn the vote of the Credit Derivatives Determinations Committee.

Holders should be aware that the external reviewers may not consider new information that was not available to the relevant Credit Derivatives Determinations Committee at or prior to the time of the binding vote and questions may be returned to the Credit Derivatives Determinations Committee for another vote if new information becomes available. In addition, if the external reviewers fail to arrive at a decision for any reason, the entire process will be repeated. As a result, the external review process may be elongated in certain situations, leaving questions that may materially affect the Holders unresolved for a period of time.

#### **The Composition of the Credit Derivatives Determinations Committees**

Each Credit Derivatives Determinations Committee is composed of fifteen voting members and three non-voting consultative members. Ten of the voting members are dealer institutions, with eight serving across all regions and two potentially varying by region. The other five voting members are non-dealer institutions that serve across all regions. The three non-voting consultative members consist of one dealer institution and one non-dealer institution that serve across all regions and one dealer institution that could potentially vary by region. For the first composition of the Credit Derivatives Determinations Committees only, an additional non-voting dealer institution has been selected to serve across all regions.

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

#### **Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees**

As of the date hereof, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees. In such capacity, it may take certain actions that may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees, including (without limitation): (a) agreeing to deliberate a question referred to ISDA, (b) voting on the resolution of any question being deliberated by a Credit Derivatives Determinations Committee and (c) advocating a certain position during the external review process. In addition, as a party to transactions which incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions, the Calculation Agent may refer a question to ISDA for a Credit Derivatives Determinations

Committee to deliberate. In deciding whether to take any such action, the Calculation Agent (or its Affiliate) shall be under no obligation to consider the interests of any Holder. See "Potential conflicts of interest of the Calculation Agent" below for additional information.

### **Potential Conflicts of interest of the Calculation Agent**

Since, as of the date hereof, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees and is a party to transactions which incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions, it may take certain actions which may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees. See "Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees" above for additional information. Such action may be adverse to the interests of the Holders and may result in an economic benefit accruing to the Calculation Agent. In taking any action relating to the Credit Derivatives Determinations Committees or performing any duty under the Rules, the Calculation Agent shall have no obligation to consider the interests of the Holders and may ignore any conflict of interest arising due to its responsibilities under the Credit Securities.

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

Holders should also be aware that institutions serving on the Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committees are not obligated to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

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

### **Amendments to the Rules**

The Rules may be amended from time to time without the consent or input of the Holders and the powers of the Credit Derivatives Determinations Committees may be expanded or modified as a result.

## **Part B**

This Part B shall only apply if the Final Terms of the Credit Securities specify that Part B of Annex 12 (Additional Terms and Conditions for Credit Securities) applies. Where this Part B applies, for the avoidance of doubt, the terms of Part A of Annex 12 shall not apply to the Credit Securities.

### **1. General**

The Final Terms shall specify:

- (i) the Reference Entity;
- (ii) the Trade Date; and
- (iii) the Maturity Date, as applicable.

### **2. Redemption**

#### **(a) Redemption absent Event Determination Date**

The Issuer will redeem each Credit Security on the related Credit Security Maturity 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 Note unless:

- (i) an Automatic Early Redemption Event has occurred (if applicable);
- (ii) the Credit Securities have been previously redeemed or purchased or cancelled in full (including pursuant to Credit Security Condition 2(b)); or
- (iii) an Event Determination Date occurs, in which event the Issuer shall redeem the Credit Securities in accordance with Credit Security 2(b).

#### **(b) Redemption following Event Determination Date**

Upon the occurrence of an Event Determination Date in relation to a Reference Entity, each Note will be redeemed at the Credit Event Settlement Amount on the Cash Settlement Date in full satisfaction of the Issuer's obligations under such Credit Security.

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

Any amount payable under Credit Security Condition 2(b) shall be rounded downwards to the nearest sub-unit of the relevant currency.

### **3. Interest**

#### **(a) Cessation of Interest Accrual**

Upon the occurrence of 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 Final Terms, such Credit Event Determination Date.

(b) **Interest following Scheduled Redemption**

Subject always to Credit Security Condition 3(a), if an Extension Notice has been given, no interest will accrue on each Credit Security which is outstanding from, and including, the Maturity Date to, and including, the related Credit Security Maturity Date.

(c) **Interest Payment Dates**

If the Credit Securities are redeemed pursuant to the Conditions as applicable or these Credit Security Conditions, the Maturity Date, the Credit Security Maturity Date (if not the Maturity Date) or the Cash Settlement Date, as the case may be, shall be an Interest Payment Date in respect of each Credit Security and the Issuer shall pay any interest that has accrued (and is unpaid) in respect of each Credit Security on such Interest Payment Date.

(d) **General**

For the avoidance of doubt, this Credit Security Condition 3 shall apply only where the Final Terms specify that the Credit Securities bear interest.

**4. Event Determination Date**

An "Event Determination Date" will occur upon the Calculation Agent delivering to the Issuer a Credit Event Notice.

**5. Miscellaneous Provisions**

(a) **Hedge Counterparty**

The Issuer will procure that the Hedge Counterparty uses 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.

(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 Credit Securities shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor (if applicable) and the Holders. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. Unless otherwise expressly stated, the Calculation Agent is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Securities including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor (if applicable) shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

(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 Condition 17.

## 6. Definitions

The following definitions shall apply to the Credit Securities.

**"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, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (v) has a resolution passed for its winding-up 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).

**"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 Final Terms) after the Credit Event Valuation Date.

**"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 and (ii) the day falling two Business Days prior to the Credit Security Maturity Date.

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

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

**"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 Final Terms, the day falling 180 Business Days following the Credit Event Determination Date.

**"Credit Security Maturity Date"** means:

- (a) the Maturity Date, as applicable; 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 Scheduled Maturity Date, as applicable, the Extended Redemption Date.

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

**"Distributor"** means the Reference Entity.

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

- (a) the Maturity 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 Maturity Date, or (b) a Potential Failure to Pay has occurred or may occur on or prior to the Maturity 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 Final Terms) following the Credit Event Determination Date.

"**Failure to Pay**" means, after the expiration of the Grace Period (after the satisfaction of any conditions precedent to the commencement of such 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 Hedge Counterparty 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 Hedge Counterparty 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 Hedge Counterparty) on an arm's length basis and the Hedge Counterparty 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 Hedge Counterparty 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 Hedge Counterparty 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 Hedge Counterparty 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 Hedge Counterparty 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) may be deemed to be equal to zero.

If "Zero Recovery" is specified as applicable in the Final Terms, the Final Price shall be 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.

"**Hedge Counterparty**" means, unless specified otherwise in the Final Terms, BNP Paribas Arbitrage S.N.C.

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

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

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

**"Reference Obligation"** means a cash deposit by the Hedge Counterparty (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 Hedge Counterparty upon issue of the Notes, as reduced by an amount equal to any withdrawals made by the Hedge Counterparty from the Deposit from time to time or increased by any cash transfers made by the Hedge Counterparty into the Deposit from time to time.

**"Reference Entity"** means the party specified as such in the 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.

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

**"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 Hedge Counterparty'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 Hedge Counterparty 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 Hedge Counterparty 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 Calculation Agent accordingly.

## ANNEX 13

### ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to the Securities specified in the applicable Final Terms as Secured Securities shall comprise the terms and conditions of Notes (the "**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 Conditions and (ii) the Collateral Security Conditions, the Collateral Security Conditions shall prevail. References in the Collateral Security Conditions to "Security", "Secured Security", "Securities" or "Secured Securities" shall be deemed to be references to "Note" and "Notes" as the context admits.

#### 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, Part C of this Annex 13 or Part D of this Annex 13 shall apply. Where this Part A applies, for the avoidance of doubt, the terms of Part B of Annex 13, Part C of Annex 13 and Part D 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;

**"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 Note"** means a Note 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 Paying 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 Paying 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 Final Redemption 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 Notes 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 Final Redemption Amount, Optional Redemption Amount, Collateral Early Settlement Amount or the relevant redemption amount payable under the Credit Securities, as the case may be;

**"Relevant Settlement Date"** means Maturity Date or 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 where Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities or (iv) the product of (A) the aggregate nominal value of the Secured Securities and (B) the relevant Partial Collateralisation Level where Partial Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, provided that any Secured Securities which are, on the relevant Collateral Valuation Date, beneficially owned by BNPP B.V. or any of its Affiliates shall be disregarded as if they did not exist for the purposes of determining such amount;

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

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

**"Security Termination Amount"** means, in respect of a Secured Security, an amount determined by the Collateral Agent equal to:

- (a) if Security Value Termination Amount is specified in the applicable Final Terms, the MTM Value of such Secured Security;
- (b) if Security Value Realisation Proceeds is specified in the applicable Final Terms, such Secured Security's *pro rata* share of the Realisation Amount subject to a maximum amount equal to the MTM Value of such Secured Security;

- (c) if Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Secured Security's *pro rata* share of the Realisation Amount subject to a maximum amount equal to the nominal value of such Secured Security;
- (d) if Partial Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Secured Security's *pro rata* share of the Realisation Amount subject to a maximum amount equal to the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;
- (e) if Nominal Value Amount is specified in the applicable Final Terms the nominal value of such Secured Security;
- (f) if Shortfall Value Amount is specified in the applicable Final Terms, the sum of (i) the lower of (A) such Secured Security's *pro rata* share of the Realisation Amount and (B) the product of (I) the nominal value of such Secured Security and (II) the Partial Collateralisation Level applicable to the relevant series of Secured Securities and (ii) an amount, subject to a minimum of zero, equal to the MTM Value of such Secured Security less the Partial Nominal Amount; or
- (g) the amount specified as such in the Final Terms applicable to such Secured Security;

"**Shortfall**" is as defined in Collateral Security Condition 3.5;

"**Swap Agreement**" means the swap agreement entered into by the Issuer with the relevant Swap Counterparty in respect of the Secured Securities;

"**Swap Counterparty**" means the entity specified as such in the applicable Final Terms;

"**Swap Counterparty Priority of Payments**" means the Collateral Enforcement Proceeds shall be used by the Collateral Agent to make payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay any Enforcement Expenses to the Collateral Agent and/or any appointee or agent thereof;
- (ii) secondly, to pay to the Swap Counterparty any payments due under the Swap Agreement;
- (iii) thirdly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities; and
- (iv) fourthly, to pay the balance (if any) to the Issuer;

"**Undeliverable Collateral Assets**" means Collateral Assets which the Collateral Agent is unable to deliver in accordance with Collateral Security Condition 3.6 due to the occurrence of a Collateral Settlement Disruption Event;

"**Unwind Costs**" means an amount, subject to a minimum of zero, determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption, settlement, cancellation and/or termination of the Secured Securities and the related termination, settlement or re-establishment of any Hedge Transaction; and

"**Unwind Priority of Payments**" means the Collateral Enforcement Proceeds shall be used by the Collateral Agent to make payments in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay any Enforcement Expenses to the Collateral Agent and/or any appointee or agent thereof;

- (ii) secondly, to pay any Unwind Costs;
- (iii) thirdly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities; and
- (iv) fourthly, to pay the balance (if any) to the Issuer.

## **2. General**

### **2.1 Collateral Calculation Agent**

BNP Paribas Arbitrage S.N.C. shall undertake the duties of Collateral Calculation Agent in respect of the Secured Securities as set out below unless another entity is so specified as collateral calculation agent in the applicable Final Terms. The expression "Collateral Calculation Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral calculation agent.

### **2.2 Collateral Agent**

BNP Paribas Trust Corporation UK Limited shall undertake the duties of Collateral Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral agent in the applicable Final Terms. The expression "Collateral Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral agent.

### **2.3 Pledge Agreement**

The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and Condition 21.4 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**

Condition 2.1(a) 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 Securities, such delivery shall be made in accordance with Condition 4(b) and the Entitlement in respect of a Secured Security shall be deemed to be a Security's Delivery Share provided that Secured Securities held by the same Holder will be aggregated for the purpose of determining a Holder's aggregate Entitlement in respect of the Secured Securities and provided further that the aggregate 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 Condition 4(b)(i)(D).

In connection with such delivery, (i) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(B), 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 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 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 Condition 4(b)(i)(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 Condition 4(b)(i)(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 Condition 17 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 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 obligations of BNPP under the BNPP Secured Securities Guarantee are direct, unsecured and unsubordinated obligations of the Guarantor and rank and will rank *pari passu* among themselves and at least *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Guarantor (save for statutorily preferred exceptions). 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 "Notes" for the purposes only of the Deed of Guarantee for Unsecured Notes dated on or around 10 June 2016, entered into, in each case, by BNPP in respect of notes (other than Secured Securities) issued by the Issuer under its note, warrant and certificate programme. The seventh introductory paragraph to the Conditions and Conditions 2.2(a) and 2.2(c) shall not apply to the Secured Securities.

### 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.

### 3.13 Group Collateralisation

Where Group Collateralisation is specified to be applicable in the applicable Final Terms, these Collateral Security Conditions shall be amended by:

- (a) the deletion of the words "less the number of any Secured Securities which form part of the BNPP Holding at such time" from the definition of "Placed Secured Securities" in Collateral Security Condition 1;
- (b) the deletion of the phrase ", 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" from the end of the definition of "Securities Value" in Collateral Security Condition 1;
- (c) the deletion of the sentence "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 Collateral Security Condition 3.2"; and
- (d) the deletion of Collateral Security Condition 3.9 in its entirety.

#### 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

Condition 8.1 shall not apply to the Secured Securities. 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 Paying 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 Paying 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 Condition 17.

## 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 Paying 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 Paying 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

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. 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.

## 7. Additional Disruption Events

### 7.1 The following changes will apply to Condition 9:

- (a) The definition of Additional Disruption Events in Condition 9.1 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 Condition 9.1 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 Condition 9.1 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 Condition 9.1 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 Condition 9.1 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 Condition 9.2, 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 Condition 9.2(b) or Condition 9.2(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 Condition 9 shall not apply in connection with such Optional Additional Disruption Event.

- (a) 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 Condition 17) 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) [This section is intentionally left blank].
- (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) (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 Condition 17 that each Note 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) [This section is intentionally left blank]; or
  - (iii) where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Collateral Assets to the Holders. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities, Condition 4(b)(i)(D) shall apply and, for such purposes, the Securities shall be deemed to be Physical Delivery Securities and the Entitlement in respect of a Security shall be deemed to be the Security's *pro rata* share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool provided that Secured Securities held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of the Secured Securities and provided further that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Collateral Assets and fractions of the Collateral Assets will not be delivered, as set out in Condition 4(b)(i)(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.
  - (iv) Subject as provided below,, 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 Note 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 Notes 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, Condition 4.1(b)(i)(E) shall apply provided that the Disruption Cash Redemption Amount will be equal to the Disruption Cash Redemption Amount specified in the applicable Final Terms.
- (e) 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 Security 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 Security (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 Securities with a Final Redemption Amount equal to its Calculation Amount, at the Final Redemption Amount thereof; or
    - (B) in the case of Securities with a Final Redemption Amount which is or may be less or greater than the Calculation Amount or which is payable in a Settlement Currency other than that in which the Securities 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 Security 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 Security (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 Security 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 [This section is intentionally left blank.]

## **8. Collateral Security Credit Notes**

### 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 Notes. Where this Collateral Security Condition 8 applies, for the avoidance of doubt, the terms of Annex 12 shall not apply to the Secured Securities.

### 8.2 Redemption

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

The Issuer will redeem each Collateral Security Credit Note 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 Final Redemption Amount of such Note unless:

- (i) an Automatic Early Redemption Event has occurred (if applicable);
- (ii) an Enforcement Event has occurred;
- (iii) the Collateral Security Credit Notes 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 Notes 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 Note 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 Note 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 Note which is outstanding from, and including, the Maturity Date to, and including, the related Collateral Credit Security Settlement Date.

#### (c) Interest Payment Dates

If the Collateral Security Credit Notes are redeemed pursuant to the Conditions, the Collateral Security Conditions or this Collateral Security Condition 8.3(a), the Maturity Date, the Collateral Credit Security Settlement Date (if not the Maturity Date) or the Cash Settlement Date, as the case may be, shall be an Interest Payment Date in respect of each Collateral Security Credit Note and the Issuer shall pay any interest that has accrued (and is unpaid) in respect of each Collateral Security Credit Note 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 Notes 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 Notes

#### (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 Notes 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 Notes 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 Condition 17.

8.6 Definitions

The following definitions shall apply to Collateral Security Credit Notes.

**"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.

**"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 Note subject to a minimum of zero, equal to:

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

**"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 Maturity 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 Maturity 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 Maturity 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 Maturity Date or (b) a Potential Failure to Pay has occurred or may occur on or prior to the Maturity 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
  - (ii) 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 Calculation Amount in respect of a Note.

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

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

"**Note Value**" means the marked to market value of the Note immediately prior to the occurrence of the Credit Event expressed as a percentage of the Calculation Amount of the Collateral Security Credit Note 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 Note for the purposes of such valuation.

"**Outstanding Nominal Amount**" or "**ONA**" means the outstanding nominal amount of all issued Collateral Security Credit Notes 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 Nominal Amount payable by the Issuer or any of its Affiliates to unwind or terminate any hedging transaction or hedging positions related to the Notes 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 Notes, 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. [This section is intentionally left blank.]

10. [This section is intentionally left blank.]

11. [This section is intentionally left blank.]

**12. Redemption**

The following amendments shall be made to Condition 5:

(a) Condition 5.1 shall be deleted in its entirety and shall be replaced with the following:

"5.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below and provided no Enforcement Event has occurred, each Note will be redeemed by the Issuer at its relevant Final Redemption Amount on the Maturity Date specified in the applicable Final Terms or, if the Notes are Physical Delivery Notes by delivery of the Entitlement (as provided in Condition 4(b) above) or (in the case of a Credit Security) at the relevant amount and/or by delivery as specified in the Credit Security Conditions. This Note may not be redeemed other than in accordance with these Conditions. If the Notes are Italian Dematerialised Notes, the relevant Issuer shall on the Maturity Date pay or cause to be paid the Final Redemption Amount by credit or transfer to the Holder's account at Monte Titoli for value on the Maturity Date.

The "Final Redemption Amount", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Final Payout, in each case as specified in the applicable Final Terms,

Provided That, (i) if the Notes are Dual Currency Redemption Notes, the product of the above formula will be converted into the Settlement Currency as provided in Condition 5.12 below and (ii) if the product of the Final Payout is zero, no amount shall be payable on final redemption of the Note.

The "Entitlement" shall be the quantity of the Relevant Asset(s) equal to the Entitlement Amount specified in the applicable Final Terms or (in the case of a Credit Security) the relevant obligations and/or other assets as specified in the Credit Security Conditions."

- (b) Conditions 5.3 to 5.5 (inclusive) shall be deleted in their entirety and shall be replaced with the following:

"5.3 Redemption at the Option of the Issuer (Issuer Call Option)

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided that no Enforcement Event has occurred and having given 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 Noteholders in accordance with Condition 17, (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding at the Optional Redemption Amount on any Optional Redemption Date specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any partial redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. The "**Optional Redemption Amount**", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Call Payout, as specified in the applicable Final Terms,

Provided That if the product of the Call Payout is zero, no amount shall be payable on redemption of such Note.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and (iii) in the case of Italian Dematerialised Notes, be governed by the standard procedures of Monte Titoli. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes.

5.4 Redemption at the Option of the Noteholders (Noteholder Put Option)

If Noteholder Put Option is specified in the applicable Final Terms, upon a Noteholder giving to the Issuer in accordance with Condition 17 not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice the Issuer will, upon the expiry of such notice and provided that 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 Note at the Optional Redemption Amount on the Optional Redemption Date specified in the applicable Final

Terms, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. The "**Optional Redemption Amount**" shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Note.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must deliver at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying 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 the Registrar or any Paying Agent (a "**Put Notice**") and in which the Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition, accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control in accordance with the Note Agency Agreement. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must, within the Notice Period, give notice to the Registrar or Paying Agent or the CMU Lodging Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or the CMU (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or the CMU Lodging Agent or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or the CMU from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. If this Note is an Italian Dematerialised Note held through Monte Titoli to exercise the right to require redemption of the Note the Holder of the Note must, within the Notice Period, give notice to the Italian Agent of such exercise in accordance with the standard procedures of Monte Titoli in a form acceptable to Monte Titoli.

Any Put Notice given by a Noteholder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 8.

#### 5.5 Early Redemption

For the purposes of Condition 5.2 above, and any circumstances where the Notes are to be redeemed prior to their Maturity Date at their Early Redemption Amount (as defined below) provided that no Enforcement Event has occurred, each Note will be redeemed at an amount (the "**Early Redemption Amount**") calculated as follows, together, if appropriate, with interest accrued to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable:

- (i) in the case of a Note (other than a Zero Coupon Note or a Note whose Early Redemption Amount is linked to an index, a formula or other Underlying Reference) with a Final Redemption Amount equal to its nominal amount, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount or interest, coupon or other interim payment which is linked to an index, a formula or other Underlying Reference, at the percentage of the Calculation Amount specified in the applicable Final Terms or, if "Market Value less Costs" is specified in the applicable Final Terms at the fair market value less associated costs; or
- (iii) in the case of a Zero Coupon Note the Early Redemption Amount of which is not linked to an index, a formula or other Underlying Reference at an amount (the "**Amortised Face Amount**") equal to the sum of:
  - (iv) the Reference Price specified in the applicable Final Terms; and
  - (v) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed in such incomplete month."

All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Receipts presented therewith) and accordingly may not be re-issued or resold.

- (c) Conditions 5.8 shall be deleted in its entirety and shall be replaced with the following:

"5.8 Instalments

Each Note in definitive form which is redeemable in instalments will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms provided no Enforcement Event has occurred. All instalments (other than the final instalment) will be paid by surrender of, in the case of a definitive Bearer Note, the relevant Receipt (which must be presented with the Note to which it appertains) and, in the case of a definitive Registered Note, the relevant Note and issue of a new Note in the nominal amount remaining outstanding, all as more fully described in Condition 4."

### 13. Taxation

The following amendments shall be made to Condition 6:

- (a) Condition 6.1 shall be deleted in its entirety and shall be replaced with the following:

"6.1 Notes issued by BNPP B.V.

Subject to Condition 6.3, in the case of Notes issued by BNPP B.V., all payments in respect of such Notes, Receipts and Coupons shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected,

withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In the event that any amounts are required to be deducted or withheld for, or on behalf of, any Tax Jurisdiction, the Issuer to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands (in the case of payments by BNPP B.V.) or France (in the case of payments by the Guarantor) other than by the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4(a)); or
- (c) where such withholding is made pursuant to the law of 23 December 2005, as amended.

In these Terms and Conditions:

- (x) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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
- (y) the **Relevant Date** means the date on which the relevant payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17."

- (b) Condition 6.3 shall be deleted in its entirety and shall be replaced with the following:

"6.3 No Gross-up

If Condition 6.3 is specified as applicable in the applicable Final Terms, the Issuer shall be not liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted."

## 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, Part C and Part D 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 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 Note 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 Paying 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 Paying 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 Nominal 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 Nominal 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 Nominal 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 Condition 21.4 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

Condition 2.1(a) 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 Nominal 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 Nominal 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 Nominal 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 Nominal 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 3.7-3.7 (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 Nominal 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 Condition 4(b) (as if the relevant Secured Securities were Physical Delivery Notes 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 4(b)(i)(c)) due in respect of such Secured Securities and rounded down as set out in this Collateral Security Condition 3.6. Condition 4(b)(i)(D) shall not apply to the delivery of Relevant Reference Collateral Assets in accordance with this Collateral Security Condition 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) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(B), 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 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 Condition 17 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 obligations of BNPP under the BNPP Secured Securities Guarantee are direct, unsecured and unsubordinated obligations of the Guarantor and rank and will rank *pari passu* among themselves and at least *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Guarantor (save for statutorily preferred exceptions). 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 "Notes" for the purposes only of the Deed of Guarantee for Unsecured Notes dated on or around 10 June 2016, entered into, in each case, by BNPP in respect of notes (other than Secured Securities) issued by the Issuer under its note, warrant and certificate programme. The seventh introductory paragraph to the Conditions and Conditions 2.2(a) and 2.2(c) shall not apply to the Secured Securities.

### 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 6.3.

## 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

Condition 8.1 shall not apply to the Secured Securities. 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 Paying 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 Paying 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 Condition 17.

## 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 Nominal 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 Condition 9:

- (a) The definition of Additional Disruption Events in Condition 9.1 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 Condition 9.1 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 Condition 9.1 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;"

- (d) The following definition shall be deemed to have been inserted in Condition 9.1 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;"

- (e) The definition of Optional Additional Disruption Events in Condition 9.1 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;"

- (f) The following definition shall be deemed to have been inserted in Condition 9.1 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;
- (g) Notwithstanding the first sentence of Condition 9.2, 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 Condition 9.2(b) or Condition 9.2(c).

7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default, Collateral Default Event or a Hedging Failure (as applicable) and Condition 9 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, 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 Condition 4(b)(i) shall apply and, for such purposes, the Secured Securities shall be deemed to be Physical Delivery Notes 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 Condition 4(b)(i)(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 Conditions to Relevant Assets shall be deemed to be, in connection with a Collateral Asset Default, 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, 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 Nominal Amount of the Secured Securities.

Following the determination that a Collateral Asset Default, 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 Condition 17. 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. [This section is intentionally left blank.]

## 9. **Nominal 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 and Collateral Security Condition 10 is not specified as being applicable ("**Nominal Value Collateral Asset Linked Securities**"). The terms of the Collateral Security Conditions shall apply to Nominal 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 Nominal 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 Final Redemption 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) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(C) 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 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 Condition 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.

## **10. Partial Nominal Value Collateral Asset Linked Securities**

### 10.1 General

This Collateral Security Condition 10 shall apply only where MTM Adjustable Assets are specified as being "not applicable" in respect of the applicable Collateral Asset Linked Securities and Collateral Security Condition 9 is not specified as being applicable ("**Partial Nominal Value Collateral Asset Linked Securities**"). The terms of the Collateral Security Conditions shall apply to Partial Nominal Value Collateral Asset Linked Securities save as set out or modified in this Collateral Security Condition 10.

### 10.2 Changes to the Collateral Security Conditions

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

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

"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 Nominal Value 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 product of the Partial Collateralisation Level and the aggregate Nominal Amount of the Secured Securities so acquired, provided that, in each case, 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 Nominal Value."

- (b) the third and fourth paragraphs of Collateral Security Condition 3.2 shall be deleted in their entirety;
- (c) the text of Collateral Security Condition 3.3 shall be deleted and replaced with the words "Not used.";
- (d) the text of Collateral Security Condition 3.4 shall be deleted and replaced with the words "Not used.";
- (e) 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 Final Redemption Amount, to pay to a Holder in respect of each Secured Security held by such Holder an amount equal to the sum of (i) the Security MTM Termination Amount and (ii) the Nominal Shortfall Amount (if any) determined in respect of such Secured Security and such aggregate 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 and the Nominal Shortfall 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.";

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

"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 product of the Nominal Amount of the relevant Secured Securities and the Partial Collateralisation Level 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.";

- (g) 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) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(B) 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 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 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";

- (h) 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";

- (i) 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 the Nominal Shortfall Amount (if any) (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).";

- (j) the fourth paragraph of Collateral Security Condition 6.2 shall be deleted in its entirety and replaced with the following:

"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 product of the Nominal Amount of the Secured Securities and the Partial Collateralisation Level."

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

- (l) 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.";

- (m) the following definitions shall be deemed to have been added to Collateral Security Condition 1:

**"Aggregate Nominal Value"** means the product of the Partial Collateralisation Level and the aggregate Nominal Amount of the Placed Secured Securities;

**"Nominal Shortfall Amount"** means the product of the Nominal Amount of the relevant Secured Security and the applicable Nominal Shortfall Percentage;

**"Nominal Shortfall Percentage"** means 100 per cent less the relevant Partial Collateralisation Level;

**"Partial Collateralisation Level"** means the percentage specified as such in the applicable Final Terms;"; and

- (n) 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;

**"Nominal Value Collateralisation Element"** means the holding of the Reference Collateral Assets by the Issuer in the Collateral Account in order to collateralise the Aggregate Nominal Value;

**"Reference Collateral Event Cash Settlement Amount"** means, subject to a minimum of zero, an amount in the Settlement Currency in respect of each Placed Secured Security equal to the sum of (i) such 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 and (ii) the Nominal Shortfall Amount (if any) in respect of such Placed Secured Security;

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

**"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; and

**"Security Termination Amount"** means the sum of (i) the Security MTM Termination Amount and (ii) the Nominal Shortfall Amount, or such other amount specified as such in the Final Terms applicable to such Secured Security.

11. [This section is intentionally left blank.]

12. [This section is intentionally left blank.]

**13. Redemption**

The following amendments shall be made to Condition 5:

(a) Condition 5.1 shall be deleted in its entirety and shall be replaced with the following:

**"5.1 Final Redemption**

Unless previously redeemed or purchased and cancelled as provided below and provided no Enforcement Event has occurred, each Note will be redeemed by the Issuer at its relevant Final Redemption Amount on the Maturity Date specified in the applicable Final Terms or, if the Notes are Physical Delivery Notes by delivery of the Entitlement (as provided in Condition 4(b) above) or (in the case of a Credit Security) at the relevant amount and/or by delivery as specified in the Credit Security Conditions. This Note may not be redeemed other than in accordance with these Conditions. If the Notes are Italian Dematerialised Notes, the relevant Issuer shall on the Maturity Date pay or cause to be paid the Final Redemption Amount by credit or transfer to the Holder's account at Monte Titoli for value on the Maturity Date.

The "Final Redemption Amount", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Final Payout, in each case as specified in the applicable Final Terms,

Provided That, (i) if the Notes are Dual Currency Redemption Notes, the product of the above formula will be converted into the Settlement Currency as provided in Condition 5.12 below and (ii) if the product of the Final Payout is zero, no amount shall be payable on final redemption of the Note.

The "Entitlement" shall be the quantity of the Relevant Asset(s) equal to the Entitlement Amount specified in the applicable Final Terms or (in the case of a Credit Security) the relevant obligations and/or other assets as specified in the Credit Security Conditions."

(b) Conditions 5.3 to 5.5 (inclusive) shall be deleted in their entirety and shall be replaced with the following:

"5.3 Redemption at the Option of the Issuer (Issuer Call Option)

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided that no Enforcement Event has occurred and having given 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 Noteholders in accordance with Condition 17, (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding at the Optional Redemption Amount on any Optional Redemption Date specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any partial redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. The "**Optional Redemption Amount**", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Call Payout, as specified in the applicable Final Terms,

Provided That if the product of the Call Payout is zero, no amount shall be payable on redemption of such Note.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and (iii) in the case of Italian Dematerialised Notes, be governed by the standard procedures of Monte Titoli. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes.

5.4 Redemption at the Option of the Noteholders (Noteholder Put Option)

If Noteholder Put Option is specified in the applicable Final Terms, upon a Noteholder giving to the Issuer in accordance with Condition 17 not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice the Issuer will, upon the expiry of such notice and provided that 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 Note at the Optional Redemption Amount on the Optional Redemption Date specified in the applicable Final Terms, together, if appropriate, with interest accrued to (but excluding) the Optional

Redemption Date. The "**Optional Redemption Amount**" shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Note.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must deliver at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying 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 the Registrar or any Paying Agent (a "**Put Notice**") and in which the Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition, accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control in accordance with the Note Agency Agreement. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must, within the Notice Period, give notice to the Registrar or Paying Agent or the CMU Lodging Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or the CMU (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or the CMU Lodging Agent or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or the CMU from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. If this Note is an Italian Dematerialised Note held through Monte Titoli to exercise the right to require redemption of the Note the Holder of the Note must, within the Notice Period, give notice to the Italian Agent of such exercise in accordance with the standard procedures of Monte Titoli in a form acceptable to Monte Titoli.

Any Put Notice given by a Noteholder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 8.

#### 5.5 Early Redemption

For the purposes of Condition 5.2 above, and any circumstances where the Notes are to be redeemed prior to their Maturity Date at their Early Redemption Amount (as defined below) provided that no Enforcement Event has occurred, each Note will be redeemed at an amount (the "**Early Redemption Amount**") calculated as follows, together, if appropriate, with interest accrued to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable:

- (i) in the case of a Note (other than a Zero Coupon Note or a Note whose Early Redemption Amount is linked to an index, a formula or other Underlying Reference) with a Final Redemption Amount equal to its nominal amount, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount or interest, coupon or other interim payment which is linked to an index, a formula or other Underlying Reference, at the percentage of the Calculation Amount specified in the applicable Final Terms or, if "Market Value less Costs" is specified in the applicable Final Terms at the fair market value less associated costs; or
- (iii) in the case of a Zero Coupon Note the Early Redemption Amount of which is not linked to an index, a formula or other Underlying Reference at an amount (the "**Amortised Face Amount**") equal to the sum of:
  - (iv) the Reference Price specified in the applicable Final Terms; and
  - (v) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed in such incomplete month."

All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Receipts presented therewith) and accordingly may not be re-issued or resold.

- (c) Conditions 5.8 shall be deleted in its entirety and shall be replaced with the following:

"5.8 Instalments

Each Note in definitive form which is redeemable in instalments will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms provided no Enforcement Event has occurred. All instalments (other than the final instalment) will be paid by surrender of, in the case of a definitive Bearer Note, the relevant Receipt (which must be presented with the Note to which it appertains) and, in the case of a definitive Registered Note, the relevant Note and issue of a new Note in the nominal amount remaining outstanding, all as more fully described in Condition 4."

#### 14. Taxation

The following amendments shall be made to Condition 6:

- (a) Condition 6.1 shall be deleted in its entirety and shall be replaced with the following:

"6.1 Notes issued by BNPP B.V.

Subject to Condition 6.3, in the case of Notes issued by BNPP B.V., all payments in respect of such Notes, Receipts and Coupons shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of

whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In the event that any amounts are required to be deducted or withheld for, or on behalf of, any Tax Jurisdiction, the Issuer to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands (in the case of payments by BNPP B.V.) or France (in the case of payments by the Guarantor) other than by the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4(a)); or
- (c) where such withholding is made pursuant to the law of 23 December 2005, as amended.

In these Terms and Conditions:

- (x) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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
  - (y) the **Relevant Date** means the date on which the relevant payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17."
- (b) Condition 6.3 shall be deleted in its entirety and shall be replaced with the following:

"6.3 No Gross-up

If Condition 6.3 is specified as applicable in the applicable Final Terms, the Issuer shall be not liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted."

## 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, Part B and Part D 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 Note 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 Note"** means a Note 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 Paying 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 Paying Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any);

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

**"Enforcement Notice"** means a notice specifying that a Default Notification has been received from a Holder and no Event Dispute Notice has been received from the Issuer within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable;

**"Event Dispute Notice"** means a notice from the Issuer to the Collateral Agent following receipt of a Default Notification specifying that the Issuer reasonably believes that the Event(s) of Default which are the subject of such Default Notification have not occurred, together with reasonable evidence supporting the Issuer's belief

(including a description in reasonable detail of the facts relevant to the determination that an Event of Default has not occurred);

**"Final Security Value"** means, in respect of a Secured Security (a) if MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event, (b) if Partial MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the product of (i) the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities, (c) if Nominal Value Collateralisation is specified as applicable in the Final Terms relating thereto, the relevant Secured Security's nominal value or (d) if Partial Nominal Value Collateralisation is specified as applicable in the applicable Final Terms relating thereto, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Haircut"** means a percentage by which the market value of a Collateral Asset is discounted to mitigate possible depreciation in the value of the relevant Collateral Asset in the period between the last valuation of such Collateral Asset and the realisation of such Collateral Asset.

**"Initial Collateral Assets"** has the meaning given to it in the applicable Final Terms;

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

**"Limited Diversification"** means, where specified to be applicable in the applicable Final Terms, that the Collateral Assets within the relevant Collateral Pool are not diversified;

**"MTM Value"** means, in respect of a Secured Security, the marked to market value of such Secured Security (taking into account all factors which the Collateral Agent determines relevant) immediately prior to the occurrence of an Enforcement Event, provided that no account shall be taken of the financial condition of (i) the Issuer which shall be deemed to be able to perform fully its obligations in respect of the Secured Securities or (ii) the Guarantor which shall be deemed to be able to perform fully its obligations in respect of the Guarantee and provided further that where the relevant Secured Security is one to which Cash Settlement is applicable and is a Secured Security in respect of which the Relevant Settlement Date is due to occur on or prior to the date on which the Enforcement Event occurred, the marked to market value of the Secured Security, for the purpose of determining such amount, may not be less than the Relevant Settlement Amount payable in respect thereof;

**"nominal value"** means, in respect of any Secured Security, the Nominal 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 Final Redemption Amount, Optional Redemption Amount, Collateral Early Settlement Amount or the relevant redemption amount payable under the Credit Securities, as the case may be;

**"Relevant Settlement Date"** means Maturity 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 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 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 the Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the nominal value of such Secured Security;
- (d) if Partial Nominal Value Realisation Proceeds is specified in the applicable Final Terms the Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;
- (e) if Nominal Value Amount is specified in the applicable Final Terms, the nominal value of such Secured Security;
- (f) if Shortfall Value Amount is specified in the applicable Final Terms, the sum of (i) the lower of (A) such Secured Security's pro rata share of the Realisation Amount and (B) the product of (I) the nominal value of such Secured Security and (II) the Partial Collateralisation Level applicable to the relevant series of Secured Securities and (ii) an amount, subject to a minimum of zero, equal to the MTM Value of such Secured Security less the Partial Nominal Amount; or
- (g) the amount specified as such in the Final Terms applicable to such Secured Security;

**"Shortfall"** is as defined in Collateral Security Condition 3.5; and

**"Undeliverable Collateral Assets"** means Collateral Assets which the Collateral Agent is unable to deliver in accordance with Collateral Security Condition 3.6 due to the occurrence of a Collateral Settlement Disruption Event.

## **2. General**

### **2.1 Collateral Calculation Agent**

BNP Paribas Arbitrage S.N.C. shall undertake the duties of Collateral Calculation Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral calculation agent in the applicable Final Terms. The expression "Collateral Calculation Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral calculation agent.

## 2.2 Collateral Agent

BNP Paribas Trust Corporation UK Limited shall undertake the duties of Collateral Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral agent in the applicable Final Terms. The expression "Collateral Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral agent.

## 2.3 Pledge Agreement

The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and Condition 21.4 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

Condition 2.1(a) 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 Securities, such delivery shall be made in accordance with Condition 4(b) and the Entitlement shall be deemed to be a Security's Delivery Share. In connection with such delivery, (i) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(B), 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 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 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 Condition 4(b)(i)(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 Condition 17 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 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 obligations of BNPP under the BNPP Secured Securities Guarantee are direct, unsecured and unsubordinated obligations of the Guarantor and rank and will rank *pari passu* among themselves and at least *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Guarantor (save for statutorily preferred exceptions).. 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 "Notes" for the purposes only of the Deed of Guarantee for Unsecured Notes dated on or around 10 June 2016, entered into, in each case, by BNPP in respect of notes (other than Secured Securities) issued by the Issuer under its note, warrant and certificate programme. The seventh introductory paragraph to the Conditions and Conditions 2.2(a) and 2.2(c) shall not apply to the Secured Securities.

## 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

Condition 8.1 shall not apply to the Secured Securities. 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 Paying 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 Paying 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 Condition 17.

## 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 Paying 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 Paying 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

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. 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.

## 7. Additional Disruption Events

7.1 The following changes will apply to Condition 9:

- (a) The definition of Additional Disruption Events in Condition 9.1 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 Condition 9.1 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 Condition 9.1 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 Condition 9.1 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 Condition 9.2, 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 Condition 9.2(b) or 9.2(c).
- 7.2 The following shall apply where an Optional Additional Disruption Event occurs which is a Collateral Asset Default and Condition 9 shall not apply in connection with such Optional Additional Disruption Event.
- (a) 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 Condition 17) 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) 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 Condition 17 that each Note 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) where Collateral Physical Settlement has been specified as applicable in applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Collateral Assets to the Holders. Where delivery of the Collateral Assets is due to be made in respect of Securities, Condition 4(b)(i) shall apply and, for such purposes, the Notes shall be deemed to be Physical Delivery Notes and the Entitlement (unless specified otherwise in the applicable Final Terms) shall be deemed to be the Note's pro rata share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool. Any reference in the 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.
  - (c) Subject as provided below, 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 Note 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 Notes 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, Condition 4(b)(i)(E)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 Note will, unless otherwise specified in the applicable Final Terms, be the lesser of:

- (a) the Security Realised Amount in respect of such Note (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 Notes with a Final Redemption Amount equal to the Calculation Amount, at the Final Redemption Amount thereof; or
  - (ii) in the case of Notes with a Final Redemption Amount which is or may be less or greater than the Calculation Amount or which is payable in a Settlement Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the 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 Note 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 Notes**

### **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 Notes. 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 Notes and in respect of which the only Collateral Asset is the Reference Obligation.

### **8.2 Redemption**

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

The Issuer will redeem each Collateral Security Credit Note 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 Final Redemption Amount of such Note unless:

- (i) an Automatic Early Redemption Event has occurred (if applicable);
- (ii) an Enforcement Event has occurred;

- (iii) the Collateral Security Credit Notes 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 Notes 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 Note 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 Note 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 Note 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 Notes are redeemed pursuant to the W&C Security Conditions, the Collateral Security Conditions or this Collateral Security Condition 8.3(a), the Maturity Date, the Collateral Credit Security Settlement Date (if not the Maturity Date) or the Cash Settlement Date, as the case may be, shall be an Interest Payment Date in respect of each Collateral Security Credit Note and the Issuer shall pay any interest that has accrued (and is unpaid) in respect of each Collateral Security Credit Note 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 Notes 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 Notes

### (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 Notes 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 Notes 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 Condition 17.

## 8.6 Definitions

The following definitions shall apply to Collateral Security Credit Notes.

**"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.

**"Note Value"** means the marked to market value of the Note immediately prior to the occurrence of the Credit Event expressed as a percentage of the Nominal Amount of the Collateral Security Credit Note 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 Note 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 Note subject to a minimum of zero, equal to:

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

**"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 Maturity 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 Maturity 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 Maturity 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 Maturity Date or (b) a Potential Failure to Pay has occurred or may occur on or prior to the Maturity 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

- (ii) 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 Nominal Amount.

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

**"Outstanding Nominal Amount"** or **"ONA"** means the outstanding nominal amount of all issued Collateral Security Credit Notes 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 Nominal Amount payable by the Issuer or any of its Affiliates to unwind or terminate any hedging transaction or hedging positions related to the Notes 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 Notes, 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.

### **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 Nominal 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 Nominal 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 Nominal 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 Nominal 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 Nominal 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 Condition 4(b)(i) 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) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(B), 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 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 Condition 17 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."

- (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 Paying 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 Nominal 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 Condition 9 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 Condition 4(b)(i) shall apply and, for such purposes, the Secured Securities shall be deemed to be Physical Delivery Notes 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 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 Nominal 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 Condition 17. From, and including, the Collateral Asset Default Date, no further Scheduled Underlying Reference Linked Payments will be made.";

- (l) 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 Nominal 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 Nominal 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. [This section is intentionally left blank]

11. [This section is intentionally left blank]

12. [This section is intentionally left blank]

### 13. **Redemption**

The following amendments shall be made to Condition 5:

- (a) Condition 5.1 shall be deleted in its entirety and shall be replaced with the following:

#### "5.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below and provided no Enforcement Event has occurred, each Note will be redeemed by the Issuer at its relevant Final Redemption Amount on the Maturity Date specified in the applicable Final Terms or, if the Notes are Physical Delivery Notes by delivery of the Entitlement (as provided in Condition 4(b) above) or (in the case of a Credit Security) at the relevant amount and/or by delivery as specified in the Credit Security Conditions. This Note may not be redeemed other than in accordance with these Conditions. If the Notes are Italian Dematerialised Notes, the relevant Issuer shall on the Maturity Date pay or cause to be paid the Final Redemption Amount by credit or transfer to the Holder's account at Monte Titoli for value on the Maturity Date.

The "Final Redemption Amount", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

- (i) Calculation Amount x the percentage or (ii) the Final Payout, in each case as specified in the applicable Final Terms,

Provided That, (i) if the Notes are Dual Currency Redemption Notes, the product of the above formula will be converted into the Settlement Currency as provided in Condition 5.12 below and (ii) if the product of the Final Payout is zero, no amount shall be payable on final redemption of the Note.

The "**Entitlement**" shall be the quantity of the Relevant Asset(s) equal to the Entitlement Amount specified in the applicable Final Terms or (in the case of a Credit Security) the relevant obligations and/or other assets as specified in the Credit Security Conditions."

- (b) Conditions 5.3 to 5.5 (inclusive) shall be deleted in their entirety and shall be replaced with the following:

"5.3 Redemption at the Option of the Issuer (Issuer Call Option)

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided that no Enforcement Event has occurred and having given 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 Noteholders in accordance with Condition 17, (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding at the Optional Redemption Amount on any Optional Redemption Date specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any partial redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. The "**Optional Redemption Amount**", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Call Payout, as specified in the applicable Final Terms,

Provided That if the product of the Call Payout is zero, no amount shall be payable on redemption of such Note.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and (iii) in the case of Italian Dematerialised Notes, be governed by the standard procedures of Monte Titoli. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes.

5.4 Redemption at the Option of the Noteholders (Noteholder Put Option)

If Noteholder Put Option is specified in the applicable Final Terms, upon a Noteholder giving to the Issuer in accordance with Condition 17 not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice the Issuer will, upon the expiry of such notice and provided that 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 Note at the Optional Redemption Amount on the Optional Redemption Date specified in the applicable Final

Terms, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. The "**Optional Redemption Amount**" shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Note.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must deliver at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying 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 the Registrar or any Paying Agent (a "**Put Notice**") and in which the Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition, accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control in accordance with the Note Agency Agreement. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must, within the Notice Period, give notice to the Registrar or Paying Agent or the CMU Lodging Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or the CMU (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or the CMU Lodging Agent or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or the CMU from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. If this Note is an Italian Dematerialised Note held through Monte Titoli to exercise the right to require redemption of the Note the Holder of the Note must, within the Notice Period, give notice to the Italian Agent of such exercise in accordance with the standard procedures of Monte Titoli in a form acceptable to Monte Titoli.

Any Put Notice given by a Noteholder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 8.

## 5.5 Early Redemption

For the purposes of Condition 5.2 above, and any circumstances where the Notes are to be redeemed prior to their Maturity Date at their Early Redemption Amount (as defined below) provided that no Enforcement Event has occurred, each Note will be redeemed at an amount (the "**Early Redemption Amount**") calculated as follows, together, if appropriate, with interest accrued to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable:

- (vi) in the case of a Note (other than a Zero Coupon Note or a Note whose Early Redemption Amount is linked to an index, a formula or other Underlying Reference) with a Final Redemption Amount equal to its nominal amount, at the Final Redemption Amount thereof; or
- (vii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount or interest, coupon or other interim payment which is linked to an index, a formula or other Underlying Reference, at the percentage of the Calculation Amount specified in the applicable Final Terms or, if "Market Value less Costs" is specified in the applicable Final Terms at the fair market value less associated costs; or
- (viii) in the case of a Zero Coupon Note the Early Redemption Amount of which is not linked to an index, a formula or other Underlying Reference at an amount (the "**Amortised Face Amount**") equal to the sum of:
  - (ix) the Reference Price specified in the applicable Final Terms; and
  - (x) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period of less than a full year, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed in such incomplete month."

All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Receipts presented therewith) and accordingly may not be re-issued or resold.

- (c) Conditions 5.8 shall be deleted in its entirety and shall be replaced with the following:

### "5.8 Instalments

Each Note in definitive form which is redeemable in instalments will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms provided no Enforcement Event has occurred. All instalments (other than the final instalment) will be paid by surrender of, in the case of a definitive Bearer Note, the relevant Receipt (which must be presented with the Note to which it appertains) and, in the case of a definitive Registered Note, the relevant Note and issue of a new Note in the nominal amount remaining outstanding, all as more fully described in Condition 4."

## 14. Taxation

The following amendments shall be made to Condition 6:

- (a) Condition 6.1 shall be deleted in its entirety and shall be replaced with the following:

"6.1 Notes issued by BNPP B.V.

Subject to Condition 6.3, in the case of Notes issued by BNPP B.V., all payments in respect of such Notes, Receipts and Coupons shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In the event that any amounts are required to be deducted or withheld for, or on behalf of, any Tax Jurisdiction, the Issuer to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands (in the case of payments by BNPP B.V.) or France (in the case of payments by the Guarantor) other than by the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4(a)); or
- (c) where such withholding is made pursuant to the law of 23 December 2005, as amended.

In these Terms and Conditions:

- (x) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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
- (y) the **Relevant Date** means the date on which the relevant payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17."

(b) Condition 6.3 shall be deleted in its entirety and shall be replaced with the following:

"6.3 No Gross-up

If Condition 6.3 is specified as applicable in the applicable Final Terms, the Issuer shall be not liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted."

## Part D

This Part D shall only apply if the Final Terms of the Securities specify that Part D of Annex 13 (Additional Terms and Conditions for Secured Securities) applies. Where this Part D applies, for the avoidance of doubt, the terms of Part A of Annex 13, Part B of Annex 13 and Part C of Annex 13 shall not apply to the Securities. Where this Part D of Annex 13 applies, certain definitions and provisions of Part A-1 of Annex 12 (Additional Terms and Conditions for Credit Securities) will, where specified, also apply and such definitions and provisions shall be deemed to be incorporated into this Part D of Annex 13 as if set out in full, subject to any modifications made in this Part D of Annex 13.

### 1. Definitions and Interpretation

#### 1.1 Definitions

"**Acceleration Notice**" has the meaning given to it in Collateral Security Condition 7.1;

"**Additional Proceeds Amount**" means the aggregate of (a) the sum of any Swap Agreement Termination Payment, Repurchase Agreement Termination Payment and Collateral Exchange Agreement Termination Payment (where applicable) payable to the Issuer and (b) the sum of any other amounts realised from the enforcement of the Security Interests in respect of the Charged Assets relating to the relevant series of Secured Securities other than the Specified Reference Collateral Assets and the Related Agreements relating to the relevant series of Secured Securities;

"**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 and the Security Trust Deed;

"**Aggregate Delivery Share**" means, in respect of a series of Secured Securities, (a) the Collateral Assets Value in respect of such series of Secured Securities less (b) the Delivery Reduction Amount applicable to such series of Secured Securities as determined by the Collateral Calculation Agent and confirmed in writing to the Security Trustee;

"**Aggregate Early Redemption Delivery Share**" means, in respect of a series of Secured Securities, (a) the Collateral Assets Value in respect of such series of Secured Securities less (b) the Early Redemption Delivery Reduction Amount applicable to 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;

"**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;

"**Annex Early Redemption Event**" where an Annex to the Conditions is applicable in addition to this Annex 13, and/or in accordance with Condition 9, the Calculation Agent notifies the Issuer that an event has occurred in respect of which the Calculation Agent in good faith and in a commercially reasonable manner determines it

is not possible to make an adjustment in respect of such event and that the Notes should be redeemed early as contemplated in either (a) such Annex or (b) Condition 9 as the case may be;

**"Asset Default Event"** means a RCA Issuer or any RCA Guarantor fails to perform or observe any of its obligations under the relevant Specified Reference Collateral Assets and the failure continues after the expiration of any applicable grace period or the occurrence of any event (including, but not limited to, default, event of default, or other similar condition or event (howsoever described)) that results in Specified Reference Collateral Assets becoming capable of being declared due and payable for any reason (including by reason of default in payment) before they would otherwise have been due and payable;

**"Asset Payment Default Event"** means there is a payment default (howsoever described) in respect of any of the relevant Specified Reference Collateral Assets relating to the relevant series of Secured Securities;

**"Asset Payment Shortfall Event"** means there is a payment default in respect of any of the Specified Reference Collateral Assets or the aggregate amount received by the Issuer in respect of the Charged Assets (other than any Replacement Collateral Assets or Credit Support Assets) on the redemption date, expiration date or other date for final payment in respect of the Charged Assets (other than any Replacement Collateral Assets or Credit Support Assets) is less than the aggregate of the Final Redemption Amounts payable by the Issuer in respect of the Securities;

**"Asset Redemption Event"** means any of the Specified Reference Collateral Assets is, for any reason, redeemed or otherwise terminated prior to its scheduled redemption or termination date as at the later of its issue date or the Trade Date;

**"Available Delivery Cash Proceeds"** has the meaning given to it in Collateral Security Condition 7.3(b);

**"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;

**"Calculated Security Termination Amount"** means, in respect of a Secured Security to which Physical Delivery of Collateral applies, an amount equal to the marked to market value, as of the Collateral Delivery Date, of the Specified Reference Collateral Assets in a nominal amount equal to such Secured Security's Delivery Share and the Issuer shall be deemed, for the purposes of Collateral Security Condition 4, to have paid such amount in full when the Delivery Share in respect of a Security is delivered to the relevant Holder;

**"Calculation Date"** means the date falling 30 Business Days (or such other period as may be specified in the applicable Final Terms) after the service of a Reference Collateral Credit Event Notice or Early Redemption Notice, as applicable, upon the Issuer by the Calculation Agent;

**"CDS Credit Event"** means, where Annex 12 (Additional Terms and Conditions for Credit Securities) applies to the Securities, an Event Determination Date (as defined in Annex 12) occurs as determined in accordance with Annex 12 in respect of a relevant Reference Entity (as defined in Annex 12);

**"Charged Agreement"** means, in respect of a series of Secured Securities, each Related Agreement entered into by the Issuer in connection with such series of Secured Securities and the Agency Agreement to the extent of the Issuer's rights against the Collateral Custodian and Principal Paying Agent in respect of such series of Secured Securities under the Agency Agreement;

**"Charged Assets"** means, in respect of any series of Secured Securities, (i) the relevant Collateral Assets held by the Issuer in the Collateral Account in respect of such series and (ii) the Issuer's rights under each Charged Agreement relating to such series, including any rights under a Related Agreement to receive delivery of assets;

**"Collateral Account"** has the meaning given to it in Collateral Security Condition 3.2;

**"Collateral Assets"** means, in respect of any series of Secured Securities, the applicable Specified Reference Collateral Assets, and any securities delivered to the Collateral Custodian as Replacement Collateral Assets or Credit Support Assets, together with, in each case, any accrued interest, redemption proceeds, income or other assets derived from such securities to the extent held in the relevant Collateral Account but shall not include any Collateral Assets, Equivalent Securities to Credit Support Assets which have been withdrawn from a Collateral Account in accordance with the relevant Related Agreement(s), the relevant Credit Support Document(s), the relevant Security Agreement and the Agency Agreement and/or any accrued interest, redemption proceeds, income or other assets derived from such securities to the extent such amounts are used by the Issuer to pay regular scheduled payments due under a Related Agreement;

**"Collateral Assets Value"** means, in respect of a series of Secured Securities, an amount equal to the aggregate nominal amount of Specified Reference Collateral Assets held by the Issuer in the relevant Collateral Account in respect of such series of Secured Securities;

**"Collateral Calculation Agent"** means the Calculation Agent in respect of the relevant Secured Securities or such other entity specified in the applicable Final Terms and any successor(s) thereto appointed in accordance with Collateral Security Condition 7.9;

**"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 which the Security Trustee notifies to Holders that is intended by the Security Trustee to be the date on which it will deliver the Collateral Assets in such Collateral Pool to Holders in accordance with Collateral Security Condition 7.5;

**"Collateral Disposal Agent"** has the meaning given to it in Collateral Security Condition 5.2;

**"Collateral Enforcement Proceeds"** means, in respect of a series of Secured Securities, the proceeds of realisation of, or enforcement with respect to, the Charged Assets in a Collateral Pool relating to such series of Secured Securities;

**"Collateral Exchange Agreement"** means an agreement between the Issuer and the Collateral Exchange Counterparty under which the Issuer may be required to transfer the relevant Specified Reference Collateral Assets to the Collateral Exchange Counterparty and in return receive Replacement Collateral Assets from the Collateral Exchange Counterparty as described in Collateral Security Condition 3.8;

**"Collateral Exchange Agreement Termination Payment"** means the termination payment due between the Issuer and the Collateral Exchange Counterparty upon early termination of the Collateral Exchange Agreement calculated in accordance with the terms of the relevant Collateral Exchange Agreement;

**"Collateral Exchange Counterparty"** means the entity specified as such in the applicable Final Terms;

**"Collateralisation Level"** means, where Nominal Value Collateralisation is specified as applicable in the applicable Final Terms, 100 per cent or, where Partial Nominal Value Collateralisation is specified as applicable in the applicable Final Terms, the percentage specified as such in the applicable Final Terms;

**"Collateral Physical Settlement"** means, following the occurrence of an Early Redemption Event, the relevant Specified Reference Collateral Assets are to be delivered to the Holders of Secured Securities in accordance with Collateral Security Condition 5.4 and shall only apply to a series of Secured Securities where "Collateral Physical Settlement" is specified as applicable in the applicable Final Terms or in certain

circumstances as set out in Collateral Security Condition 5.9 or Collateral Security Condition 5.10 (where applicable);

**"Collateral Pool"** means a pool of Collateral Assets 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 Collateral Enforcement Proceeds applicable to such series of Secured Securities as determined by the Collateral Calculation Agent and confirmed in writing to the Security Trustee;

**"Collateral Sale Proceeds"** means the net proceeds of the sale of the relevant Collateral Assets relating to the relevant series of Secured Securities in a Collateral Pool (including, where applicable, in accordance with the terms of Collateral Security Condition 5.3, the net proceeds of sale of any Credit Support Assets and/or Replacement Collateral Assets relating to such series of Secured Securities) and/or, where the relevant Collateral Assets have redeemed prior to any sale or where otherwise applicable, the redemption proceeds received from any such Collateral Assets which are not required to be paid by the Issuer to the Swap Counterparty or other applicable Related Agreement Counterparty, in each case in accordance with the relevant Related Agreement;

**"Collateral Settlement Disruption Event"** means any event beyond the control of the Security Trustee (or any disposal agent appointed by the Security Trustee), as a result of which it is impossible or illegal for the Security Trustee or its agent to deliver some or all of 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 Settlement Disruption Period"** means eight Business Days or such other period specified in the applicable Final Terms;

**"Collateral Trigger Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Collateral Valuation Date"** means the Initial Collateral Valuation Date and each subsequent date within the Collateral Valuation Period in which the Issuer or the Collateral Disposal Agent attempts to obtain firm bid quotations from dealers (including BNP Paribas) following the occurrence of an Early Redemption Event;

**"Collateral Valuation Period"** means a period of two months following the delivery of an Early Redemption Notice by, or on behalf of, the Issuer;

**"Credit Nominal Value Repack Securities"** means Secured Securities to which this Part D of Annex 13 applies and to which Annex 12 (Additional Terms and Conditions for Credit Securities) is also specified to apply in the applicable Final Terms;

**"Credit Partial Redemption"** has the meaning given to it in Collateral Security Condition 5.6;

**"Credit Partial Redemption Amount"** has the meaning given to it in Collateral Security Condition 5.6;

**"Credit Support Assets"** means the assets which are transferred to the Issuer as collateral under a Credit Support Document or as margin securities under a Repurchase Agreement or as collateral under a Collateral Exchange Agreement;

**"Credit Support Document"** means a 1995 ISDA credit support annex (Bilateral Form – Transfer)(ISDA Agreements Subject to English Law) or such other document which is specified as such in the applicable Final Terms;

**"Credit Support Sale Proceeds"** means the net proceeds of the sale of the relevant Credit Support Assets relating to the relevant series of Secured Securities, and/or, where applicable the redemption proceeds received from any such Credit Support Assets; and, where such term is used in or in connection with Collateral Security Condition 7.5 and a Collateral Exchange Agreement has been entered into in connection with the series of Secured Securities, shall also include the net proceeds of the sale of the relevant Replacement Collateral Assets relating to the relevant series of Secured Securities, and/or, where applicable the redemption proceeds received from any such Replacement Collateral Assets and the term "Residual Credit support sale proceeds" shall be construed accordingly;

**"DC Credit Event Announcement"** means, with respect to a Reference Collateral Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date;

**"Default Requirement"** means the amount as may be specified as such in the Final Terms or, if a Transaction Type is specified, the amount specified as such in the Physical Settlement Matrix or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, U.S.\$ 10,000,000 or its equivalent in the relevant Obligation Currency), in either case, as of the occurrence of the relevant Early Redemption Event;

**"Deferred Interest Payment Date"** means:

- (a) subject to (c) below, upon the occurrence of a Payment Deferral Event which is a Potential Failure to Pay, the date after the relevant scheduled Interest Payment Date which is the earlier of:
  - (i) the fifth Business Day after the day on which the Calculation Agent becomes aware that the Potential Failure to Pay has ceased to exist; and
  - (ii) the fifth Business Day after the end of any applicable grace period; or
- (b) subject to (c) below, where the Payment Deferral Event is an Outstanding DC Resolution, the date determined by the Calculation Agent) being not later than five Business Days following the day on which the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal has occurred; or
- (c) where a Payment Deferral Event occurs on or after the Interest Payment Date immediately preceding the Scheduled Maturity Date and an Extension Notice has been served, the Final Deferred Payment Date;

**"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 as determined by the Collateral Calculation Agent and confirmed in writing to the Security Trustee;

**"Delivery Reduction Amount"** means the aggregate nominal amount of Specified Reference Collateral Assets which are sold to make payments due in priority to the Holders in accordance with the applicable Priority of Payments;

**"Early Redemption Additional Proceeds Amount"** means the sum of any Swap Agreement Termination Payment, Repurchase Agreement Termination Payment and Collateral Exchange Agreement Termination Payment (where applicable) payable to the Issuer;

**"Early Redemption Amount"** means a *pro rata* share of an amount, subject to a minimum of zero equal to the Collateral Sale Proceeds plus (a)(i) any Swap Agreement Termination Payment received by the Issuer from the Swap Counterparty, (ii), where applicable, any Repurchase Agreement Termination Payment received by the

Issuer from the Repo Counterparty and (iii) where applicable, any Collateral Exchange Agreement Termination Payment less (b) any Early Redemption Costs;

**"Early Redemption Costs"** means, as determined by the Calculation Agent, an amount equal to the aggregate of (i) any amounts payable in respect of any Security Trustee's fees, costs and expenses, (ii) the fees, costs and expenses (if any) incurred by the Issuer and/or the Collateral Custodian in the sale of the Specified Reference Collateral Assets, (iii) any Swap Agreement Termination Payment due from the Issuer to the Swap Counterparty, (iv) any Repurchase Agreement Termination Payment (where applicable) due from the Issuer to the Repo Counterparty, (v) any Collateral Exchange Termination Payment (where applicable) due from the Issuer to the Collateral Exchange Counterparty and (vi) where the Securities are Credit Nominal Value Repack Securities and the relevant Early Redemption Event is a CDS Credit Event, less any amount payable by the Issuer under the applicable credit default swap agreement entered into by the Issuer with the relevant Swap Counterparty;

**"Early Redemption Date"** means, in respect of a series of Secured Securities, the date falling 10 Business Days following the sale of the relevant Collateral Assets by the Issuer in accordance with the Collateral Security Conditions or, where the Securities are Credit Nominal Value Repack Securities and the relevant Early Redemption Event is the occurrence of a CDS Credit Event, the date falling 10 Business Days following the later of (i) the sale of the relevant Collateral Assets by the Issuer in accordance with the Collateral Security Conditions and (ii) the date on which the amount payable under the credit default swap agreement entered into by the Issuer with the relevant Swap Counterparty is determined;

**"Early Redemption Delivery Reduction Amount"** means the aggregate nominal amount of Specified Reference Collateral Assets which are sold by the Issuer to finance payment of any Early Redemption Costs ;

**"Early Redemption 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 Early Redemption Delivery Share applicable to such series of Secured Securities;

**"Early Redemption Event"** means the occurrence of one or more of the following events as specified as applicable in the applicable Final Terms in respect of the relevant Secured Securities:

- (a) Annex Early Redemption Event
- (b) Asset Payment Default Event;
- (c) Asset Default Event;
- (d) Asset Redemption Event;
- (e) Asset Payment Shortfall Event;
- (f) CDS Credit Event;
- (g) MTM Trigger Redemption Event;
- (h) RCA Change in Law Event;
- (i) RCA Regulatory Event;
- (j) RCA Repudiation/Moratorium Event;
- (k) RCA Restructuring Event;

- (l) RCA Tax Event;
- (m) RCA Issuer Bankruptcy Event;
- (n) RCA Issuer/Parent Bankruptcy Event;
- (o) RCA Issuer/Parent Payment Default Event;
- (p) RCA Issuer/Parent Restructuring Event;
- (q) RCA Issuer/Parent Governmental Intervention Event;
- (r) RCA Issuer/Parent Obligation Acceleration Event;
- (s) RCA Issuer/Parent Repudiation/Moratorium Event; and
- (t) Related Agreement Termination Event,

provided that where Early Redemption Scenario 1 is specified as applicable in the applicable Final Terms, the following Early Redemption Events will apply: items (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m) and any other Early Redemption Event specified as applicable in the applicable Final Terms; where Early Redemption Scenario 2 is specified to be applicable, the Early Redemption Events in Early Redemption Scenario 1 and the Early Redemption Event in item (n) and any other Early Redemption Event specified as applicable in the applicable Final Terms will apply; and where Early Redemption Scenario 3 is specified to be applicable, all Early Redemption Events will apply other than the Early Redemption Events specified in items (k), (l) and (m), provided that, in respect of a series of Secured Securities, different Early Redemption Events and/or different Early Redemption Scenarios may be expressed to apply to each of the RCA Issuer, RCA Guarantor, RCA Parent, Eligible Collateral Issuer and/or Specified Reference Entity, as applicable, in the applicable Final Terms;

**"Early Redemption Notice"** means a notice delivered by the Issuer to the Holders in accordance with Condition 17 stating that an Early Redemption Event has occurred on or after the Event Trigger Date applicable to a series of Secured Securities;

**"Early Residual Proceeds Amount"** has the meaning given to it in Collateral Security Condition 5.4;

**"Eligible Collateral"** means assets which are one or more of the types of asset listed in the Eligible Collateral Annex;

**"Eligible Collateral Annex "** means the annex to these Collateral Security Conditions which sets out the type or types of assets which may constitute the Reference Collateral Assets in respect of any series of Secured Securities;

**"Eligible Collateral Issuer"** means the entity specified as such in the applicable Final Terms;

**"Eligible Collateral Issuer Obligations"** has the meaning given to it in Collateral Security Condition 3.10;

**"Enforcement Event"** means the delivery of an Acceleration Notice by the Security Trustee to each of the Issuer, the Principal Paying Agent, the Collateral Custodian, the Swap Counterparty (if any), the Repo Counterparty (if any) and the Collateral Exchange Counterparty (if any);

**"Enforcement Expenses"** means all amounts due to the Security Trustee and/or any appointee or agent thereof or any receiver, including, without limitation, any costs, expenses taxes or other amounts 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 (including, without limitation, indemnity entitlements) payable to the Security Trustee and/or any appointee or agent thereof by the Issuer under the Security Trust Deed;

**"Enforcement Notice"** has the meaning given to it in Collateral Security Condition 7.2;

**"Equivalent Securities"** means securities which are equivalent to Collateral Assets where securities are "equivalent" to the relevant Collateral Assets for the purposes of these Collateral Security Conditions if they are (a) issued by the same issuer, (b) part of the same issue and (c) of an identical type, nominal amount, description and amount as those other securities;

**"Event of Default"** has the meaning given to it in Collateral Security Condition 7.1;

**"Event Trigger Date"** means the Trade Date or such other date specified in the applicable Final Terms where such date shall not be adjusted in accordance with any Business Day Convention;

**"Extension Date"** means the latest of:

- (a) the Scheduled Maturity Date;
- (b) the date that is the number of days in the applicable grace period following an extension of the redemption of the Securities upon the occurrence of a Potential Failure to Pay on or prior to the Scheduled Maturity Date, if Failure to Pay is specified as an applicable Reference Collateral Credit Event in relation to a RCA Reference Entity in the Final Terms and the Calculation Agent delivers an Extension Notice under sub-paragraph (ii) of the definition thereof; and
- (c) the Repudiation/Moratorium Evaluation Date (if any) if Repudiation/Moratorium is specified as an applicable Reference Collateral Credit Event in relation to a RCA Reference Entity in the Final Terms and the Calculation Agent delivers an Extension Notice under sub-paragraph (c) of the definition thereof

**"Extension Notice"** means a notice from the Calculation Agent to the Issuer giving notice of the following in relation to the relevant RCA Reference Entity:

- (a) without prejudice to sub-paragraphs (b), (c) and (d) below, that a Reference Collateral Credit Event has occurred or may occur on or prior to the Scheduled Maturity Date;
- (b) (where applicable) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Date;
- (c) (where applicable) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (d) that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the Notice Delivery Period.

Following delivery of an Extension Notice, the Issuer, or the Calculation Agent on its behalf, will as soon as practicable notify the Holders of the Issuer's receipt of such notice and the postponement of redemption of the Securities;

**"Final Deferred Payment Date"** means:

- (a) the later of:

- (i) thirty Business Days after the Extension Date; and
  - (ii) thirty Business Days after the date on which the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Question Dismissal has occurred; or
- (b) any such earlier day as determined by the Calculation Agent by giving notice to the Holders;

**"Final Security Value"** means, in respect of a Secured Security, (a) if Nominal Value Collateralisation is specified as applicable in the Final Terms relating thereto, the relevant Secured Security's nominal value or (b) 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 Collateralisation Level applicable to the relevant series of Secured Securities;

**"Governmental Authority"** means (i) any de facto or de jure government (or any agency, instrumentality, ministry or department thereof); (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body; (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the RCA Issuer, the relevant RCA Reference Entity or some or of all of its obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"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 under the Repurchase Agreement and the realisation of such Collateral Asset.

**"Holders' Option Period"** is the period specified as such in the applicable Final Terms;

**"Holder Priority of Payments"** means the Collateral Enforcement Proceeds or the Collateral Assets (where Physical Delivery of Collateral is applicable) shall be used by the Security Trustee to make payments and/or, where Physical Delivery of Collateral is applicable, deliveries 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 Security Trustee and/or any appointee or agent thereof or any receiver appointed in connection with the relevant Collateral Pool;
- (b) secondly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities and/or where Physical Delivery of Collateral is applicable, to deliver the aggregate applicable Delivery Shares due in respect of the relevant Secured Securities;
- (c) thirdly, rateably to pay the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the relevant series of Secured Securities and each Collateral Exchange Counterparty under each Collateral Exchange Agreement relating to the relevant series of Secured Securities. If the moneys or, if applicable, Collateral Assets, received by the Security Trustee are not enough to pay such amounts in full, the Security Trustee shall apply them pro rata on the basis of the amount due to each party entitled to such payment; and
- (d) fourthly, the balance (if any) to the Issuer.

**"Initial Collateral Valuation Date"** means a Business Day in the Initial Collateral Valuation Period, as selected by the Issuer;

**"Initial Collateral Valuation Period"** means a period of one month following the delivery of an Early Redemption Notice by, or on behalf of, the Issuer;

**"Initial Posting Date"** means (a) the Issue Date or such other date or dates specified in the applicable Final Terms (the **"Scheduled Initial Posting Date"**) or (b) if Settlement Grace Period is specified as applicable in the applicable Final Terms, the date or dates falling not later than the number of Business Days equal to the Reference Collateral Assets Grace Period following such Scheduled Initial Posting Date;

**"ISDA"** means the International Swaps and Derivatives Association, Inc.;

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

**"Latest Delivery Date"** means the later of the date 30 days following:

- (a) the delivery of an Enforcement Notice; or
- (b) where the Security Trustee (i) has requested that it be indemnified and/or secured and/or pre-funded prior to making any delivery of Specified Reference Collateral Assets and/or (ii) appoints a disposal agent to assist it in relation to enforcement, the later of the dates on which the Security Trustee is satisfied, that it is sufficiently indemnified and/or secured and/or pre-funded and/or the Security Trustee has appointed a disposal agent,

provided that where a Collateral Settlement Disruption Event has occurred on the date which would otherwise be the Latest Delivery Date, such date shall not occur until at least five Business Days' following (i) such Collateral Settlement Disruption Event ceasing to apply or, (ii) where the Security Trustee determines that it is not possible for the relevant Collateral Settlement Disruption Event to be cured, the date of such determination;

**"Margin Securities"** means securities which have been delivered as collateral by the Repo Counterparty to the Issuer under the Repurchase Agreement;

**"Market Value Put Option"** has the meaning given to it in Collateral Security Condition 5.8;

**"Matching Quotation"** has the meaning given to it in Collateral Security Condition 5.3;

**"Minimum Number of Quotations"** means the number of quotations specified in the applicable Final Terms;

**"MTM Trigger Redemption Event"** means the occurrence of a Swap MTM Event, a Reference Collateral Assets MTM Event or a Secured Securities MTM Event, in each case provided that such event is specified as applicable in the applicable Final Terms;

**"MTM Trigger Valuation Method"** means:

- (a) where Calculation Agent Valuation is specified as applicable in the applicable Final Terms, the price determined by the Calculation Agent in its sole discretion; or
- (b) where Dealer Poll Valuation is specified as applicable in the applicable Final Terms, the highest firm bid price obtained by the Calculation Agent having requested firm bid prices from at least three dealers (one of which may be BNP Paribas) on any Business Day, provided that where no firm bid prices can be obtained, the Calculation Agent may determine the bid price in its sole discretion;

**"Net Proceeds"** has the meaning given to it in Collateral Security Condition 11;

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

**"Nominal Value Repack Securities"** means Secured Securities to which this Part D of Annex 13 is specified to apply in the applicable Final Terms;

**"Obligation"** means:

- (a) any obligation of the relevant RCA Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the Method for Determining Obligations; and
- (b) the relevant Reference Obligations,

in each case, unless it is an Excluded Obligation.

For purposes of the "**Method for Determining Obligations**", the term "Obligation" may be defined as each obligation of the RCA Reference Entity described by the Obligation Category specified in respect thereof and having each of the Obligation Characteristics, if any, specified in respect thereof, in each case, immediately prior to the Early Redemption Event which is the subject of the Early Redemption Notice.

**"Obligation Category"** means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in relation to a RCA Reference Entity.

**"Obligation Characteristic"** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in relation to a RCA Reference Entity.

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated;

**"Other Currency"** has the meaning given to it in Collateral Security Condition 3.13;

**"Over Collateralisation Level"** is the percentage specified as such in the applicable Final Terms;

**"Partial Redemption"** has the meaning given to it in Collateral Security Condition 5.7;

**"Payment Deferment Event"** means:

- (a) the failure by a RCA Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure (without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations) (a "**Potential Failure to Pay**");
- (b) (i) the DC Secretary has received a notice within the definition of "DC Credit Event Question" and (ii) a DC Credit Event Announcement, a DC No Credit Event Announcement or a DC Credit Event Question Dismissal has not yet occurred (an "**Outstanding DC Resolution**"); or
- (c) on or after the Interest Payment Date immediately preceding the Scheduled Maturity Date, to the extent not covered by (a) and (b) above, where an Extension Notice has been served.

**"Payment Requirement"** means the amount specified as such the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not so specified in the applicable Final Terms, U.S.\$ 1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable;

**"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 7.5 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 Security Trustee on behalf of the relevant Secured Parties 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 Amounts"** means, following the occurrence of an Enforcement Event and in respect of a series of Secured Securities, the amounts which are payable in accordance with the applicable Priority of Payments in priority to amounts due to be paid or delivered to the Holders;

**"Priority of Payments"** means, in respect of a series of Secured Securities, Holder Priority of Payments, Swap Counterparty Priority of Payments, Repo Counterparty Priority of Payments or Swap Counterparty Priority of Payments – Subordination Flip 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;

**"Put Notice"** has the meaning given to it in Collateral Security Condition 5.8;

**"Put Option Redemption Amount"** means the Collateral Sale Proceeds less the Early Redemption Costs;

**"Put Optional Redemption Date"** has the meaning given to it in Collateral Security Condition 5.8;

**"RCA Change in Law Event"** means on or after the Trade Date, (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority), or the combined effect thereof if occurring more than once, the Issuer or the Calculation Agent determines in good faith and in a commercially reasonable manner that it has become illegal for (i) the Issuer to perform its obligations in respect of any Securities or the Swap Counterparty to perform its obligations in respect of any Swap Agreement, (ii) for the Issuer to hold, acquire or dispose of relevant hedge positions relating to any Securities or for the Swap Counterparty to hold, acquire or dispose of relevant hedge positions relating to any Swap Agreement save where such an event in (A) or (B) would constitute an Additional Disruption Event or an Optional Additional Disruption Event (in the case of Index Securities, Share Securities, Commodity Securities, Currency Securities, Underlying Interest Rate Securities or ETI Securities) or an Extraordinary Fund Event (in the case of Fund Securities) or an Extraordinary ETI Event (in the case of ETI Securities) or the Securities are Inflation Securities, or (iii) for the Issuer to hold, acquire or dispose of any Reference Collateral Assets;

**"RCA Guarantor"** means each guarantor of the relevant RCA Issuer's obligations in respect of any Specified Reference Collateral Assets;

**"RCA Issuer"** means the issuer or primary obligor in respect of any of the relevant Specified Reference Collateral Assets or the Successor thereto;

**"RCA Issuer Bankruptcy Event"** means the RCA Issuer or RCA Guarantor in respect of any of the relevant Reference Collateral Assets:

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

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

**"RCA Issuer/Parent Bankruptcy Event"** means a RCA Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition:
  - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
  - (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger);

- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-paragraphs (a) to (a) (inclusive) above;

**"RCA Issuer/Parent Governmental Intervention"** means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the RCA Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:
  - (i) any event which would affect creditors' rights so as to cause:
    - (A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
    - (B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
    - (C) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
    - (D) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
  - (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
  - (iii) a mandatory cancellation, conversion or exchange; or
  - (iv) any event which has an analogous effect to any of the events specified in (a)(i) to (a)(iii).
- (b) For purposes of (a) above, the term Obligation shall be deemed to include Underlying Obligations for which the RCA Reference Entity is acting as provider of a Guarantee;

**"RCA/Issuer Parent Obligation Acceleration Event"** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations;

**"RCA Issuer/Parent Payment Default Event"** means, after the expiration of any applicable grace period (after the satisfaction of any conditions precedent to the commencement of such grace period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the

Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure;

If an occurrence that would constitute a RCA Issuer/Parent Payment Default Event (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a RCA Issuer/Parent Payment Default Event unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination;

**"RCA Issuer/Parent Repudiation/Moratorium Event"** means the occurrence of both of the following events:

- (a) an authorised officer of the RCA Reference Entity or a Governmental Authority:
  - (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
  - (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date;

**"RCA Issuer/Parent Restructuring Event"** means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the relevant RCA Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of such Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Event Trigger Date and the date as of which such Obligation is issued or incurred:
  - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
  - (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
  - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
  - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
  - (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the

United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

- (b) Notwithstanding the provisions of (a) above, none of the following shall constitute a Restructuring:
- (i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
  - (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
  - (iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (b)(i) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (iv) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (b)(i) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the RCA Reference Entity, provided that in respect of (a)(i) only, no such deterioration in the creditworthiness or financial condition of the RCA Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.
- (c) For the purposes of (a) and (a) above, the term "Obligation" shall be deemed to include Underlying Obligations for which the RCA Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the RCA Reference Entity in (a) above shall be deemed to refer to the Underlying Obligor and the reference to the RCA Reference Entity in (a) above shall continue to refer to the RCA Reference Entity.
- (d) If an exchange has occurred, the determination as to whether one of the events described under (a)(i) to (b)(i) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

Unless "Multiple Holder Obligation" is specified as not applicable in the applicable Final Terms, notwithstanding anything to the contrary in the definition of "RCA Issuer/Parent Restructuring" and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub paragraph (a)(i) to (a)(v) (inclusive) thereof shall not be a RCA Issuer/Parent Restructuring Event unless the Obligation in respect of any such events is a Multiple Holder Obligation, provided that any obligation that is a Bond shall be deemed to satisfy the requirements of sub-paragraph (b) of the definition of "Multiple Holder Obligation";

**"RCA Parent"** means, in relation to any RCA Issuer, any entity that controls, directly or indirectly, the person or any entity directly or indirectly. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person;

**"RCA Reference Entity"** means each of the RCA Issuer, the RCA Guarantor, the RCA Parent, the Eligible Collateral Issuer or the Specified Reference Entity specified as a "RCA Reference Entity" in the applicable Final Terms;

**"RCA Regulatory Event"** means:

- (a) any event occurs as a result of action taken or announcement made by a governmental authority pursuant to, or by means of, a restructuring and resolution law or regulation or any other similar law or regulation, in any case, irrespective of whether such event is expressly provided for under the terms of the Specified Reference Collateral Assets which would cause (i) a reduction in the amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination), (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates (including by way of redenomination), (iii) a postponement or other deferral of a date or dates for either (1) the payment or accrual of interest or (2) the payment of principal or premium, (iv) a change in the ranking in priority of payment of any obligation of the issuer of the Specified Reference Collateral Assets, causing the subordination of the Reference Collateral Assets to any other obligation, or (v) any change in the currency or composition of any payment of interest or principal under the Specified Reference Collateral Assets; or
- (b) any expropriation, transfer or other event which mandatorily changes the beneficial holder of the Specified Reference Collateral Assets, or a mandatory cancellation, conversion or exchange in respect of the Specified Reference Collateral Assets; or
- (c) the occurrence of any event which has an analogous effect to any of the events specified in (i) and/or (ii);

**"RCA Repudiation/Moratorium Event"** means an authorised officer of the relevant RCA Issuer or any RCA Guarantor or a governmental authority disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of the Specified Reference Collateral Assets or declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to the Specified Reference Collateral Assets;

**"RCA Restructuring Event"** means the Calculation Agent determines that, on or after the Event Trigger Date, any of the following has occurred in respect of the relevant Specified Reference Collateral Assets:

- (a) any event (by way of change to the actual terms and conditions applicable to the Specified Reference Collateral Assets or by way of exchange of the Specified Reference Collateral Assets with another asset) which would cause (1) a reduction in the amount of interest payable or the amount of scheduled interest accruals, (2) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates, (3) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest or (II) the payment of principal or premium, (4) a change in the ranking in priority of payment of any obligation of the issuer of the Specified Reference Collateral Assets, causing the subordination of the Specified Reference Collateral Assets to any other obligation or any change in the currency or composition of any payment of interest or principal under the Reference Collateral Assets; or
- (b) any expropriation, transfer or other event which mandatorily changes the beneficial holder of the Specified Reference Collateral Assets or a cancellation, conversion or compulsory exchange of the Specified Reference Collateral Assets; or
- (c) any event analogous to the events specified in (a) or (b);

**"RCA Tax Event"** means on or after the Trade Date, (a) due to the adoption of any change in any applicable law or regulation (including, without limitation, any tax law) or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or brought in a court of competent jurisdiction), either (i) any amount is required to be deducted or withheld for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of any payment to be received by the Issuer under one or more Specified Reference Collateral Asset or (ii) the Issuer becomes obliged to pay any amount for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of (A) any payment received by the Issuer under one or more Specified Reference Collateral Asset or (B) holding, acquiring or disposing of any Specified Reference Collateral Asset;

**"Realisation Amount"** means the Collateral Proceeds Share due in respect of a Secured Security, less a pro rata share of any Priority Amounts due in respect of the relevant series of Secured Securities;

**"Reference Collateral Assets"** means the securities which are specified in the applicable Final Terms as the Reference Collateral Assets for the relevant Collateral Pool and fall within the definition of Eligible Collateral in the Eligible Collateral Annex;

**"Reference Collateral Assets Grace Period"** means the number of Business Days specified as such in the applicable Final Terms;

**"Reference Collateral Assets MTM Event"** means the bid price (exclusive of accrued interest) in respect of Specified Reference Collateral Assets with an aggregate nominal amount outstanding equal to the aggregate nominal amount outstanding of the Specified Reference Collateral Assets in the Collateral Pool relating to the relevant series of Secured Securities (express as a percentage of the face value of such relevant Specified Reference Collateral Assets) is equal to or less than the Collateral Trigger Percentage, as determined in accordance with the MTM Trigger Valuation Method;

**"Reference Collateral Credit Event"** means, in relation to a RCA Reference Entity, the occurrence of any of the events specified as "Reference Collateral Credit Events" in the Final Terms which may include any one or more of Bankruptcy, Failure to Pay, Restructuring, Repudiation/Moratorium, Obligation Acceleration, Obligation Default, and/or Governmental Intervention and if an occurrence would otherwise constitute a Reference Collateral Credit Event, such occurrence will constitute a Reference Collateral Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of the relevant RCA Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described;

**"Reference Collateral Credit Event Notice"** means an irrevocable notice from the Calculation Agent (which may be in writing (including by facsimile and/or email) and/or by telephone) to the Issuer stating that a

Reference Collateral Credit Event has occurred. The Reference Collateral Credit Event Notice shall describe a Reference Collateral Credit Event that occurred on or after the Event Trigger Date and on or prior to the Extension Date. If so specified in the applicable Final Terms, a Reference Collateral Credit Event Notice shall also cite Publicly Available Information confirming the occurrence of the Reference Collateral Credit Event, provided that where an Event Determination Date has occurred pursuant to sub-paragraph (b) of the definition thereof, a reference to the relevant DC Credit Event Announcement shall suffice. If so specified in the applicable Final Terms, such notice must contain a copy, or a description in reasonable detail of the relevant Publicly Available Information. The Reference Collateral Credit Event that is the subject of the Reference Collateral Credit Event Notice need not be continuing on the date the Reference Collateral Credit Event Notice is effective. Where "Multiple Credit Event Notices" is specified as being applicable in the applicable Final Terms:

- (a) the Calculation Agent may serve multiple Reference Collateral Credit Event Notices with respect to an M(M)R Restructuring setting forth the amount (the "**Exercise Amount**") of the relevant Reference Entity Notional Amount in respect of which the Collateral Credit Event Notice applies (which may be less than the Nominal Amount outstanding of the Notes), provided that if the Reference Collateral Credit Event Notice does not specify an Exercise Amount, the then outstanding Reference Entity Notional Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;
- (b) the Exercise Amount in connection with a Reference Collateral Credit Event Notice describing a Reference Collateral Credit Event which is a M(M)R Restructuring must be an amount that is at least 1,000,000 units of the currency (or if Japanese yen, 100,000,000 units) in which the Reference Entity Notional Amount is denominated or any integral multiple thereof or the entire Reference Entity Notional Amount; and
- (c) Collateral Security Condition 5.11 shall be applicable.

A Reference Collateral Credit Event Notice that describes a Reference Collateral Credit Event other than an M(M)R Restructuring must be in respect of the full Reference Entity Notional Amount;

**"Reference Collateral Currency"** means the currency in which the Reference Collateral Assets are denominated;

**"Reference Collateral Currency Equivalent"** means in respect of any amount, where the relevant series of Secured Securities and the relevant Reference Collateral Assets are denominated in the same currency, such amount or, where the relevant Reference Collateral Assets and the Secured Securities are denominated in different currencies, the equivalent in the relevant Reference Collateral Currency of such amount (which may be determined by applying one or more fixed exchange rate set out in the relevant Swap Agreement to the currency amount in which the relevant series of Secured Securities is denominated);

**"Reference Obligation"** means the Standard Reference Obligation, if any, unless:

- (a) "Standard Reference Obligation" is specified as not applicable in relation to a RCA Reference Entity, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or
- (b) (i) "Standard Reference Obligation" is specified as applicable in relation to a Reference Entity (or no election is specified in relation to a RCA Reference Entity), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in relation to a RCA Reference Entity, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard

Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of the RCA Reference Entity shall constitute the Reference Obligation.

**"Reference Partial Redemption"** has the meaning given to it in Collateral Security Condition 5.11;

**"Reference Partial Redemption Amount"** has the meaning given to it in Collateral Security Condition 5.11;

**"Reference Price"** means:

- (a) if "Average Market" is specified in the applicable Final Terms, the unweighted arithmetic mean (rounded to the nearest one-hundredth of one per cent.), to be determined by the Swap Calculation Agent at, or about, 11:00 am (Tokyo time) on the Calculation Date, of the firm bid prices for any combination of Specified Obligations selected by the Calculation Agent in a principal amount equal to the Nominal Amount outstanding of the Securities (or the Reference Partial Redemption Amount, as the case may be) as quoted by the Specified Number of Dealers who shall be selected by the Calculation Agent provided that, if there are more than three quotations, the Reference Price shall be calculated without reference to the highest and lowest quotes, and if there is more than one highest or lowest quote, without reference to one of them, and provided that if at least the Minimum Number of Quotations are not available, the Calculation Agent shall seek to obtain one firm bid price from BNP Paribas which shall be the Reference Price. If BNP Paribas will not provide such quotation, the Reference Price shall be zero. All determinations hereunder shall be final and binding upon all parties;
- (b) if "Highest" is specified in the applicable Final Terms, the highest (rounded to the nearest one-hundredth of one per cent.), to be determined by the Calculation Agent at, or about, 11:00 am (London time) on the Calculation Date, of the firm bid prices for any combination of Specified Obligations selected by the Calculation Agent in a principal amount equal to the Nominal Amount outstanding of the Securities (or the Reference Partial Redemption Amount, as the case may be) as quoted by the Specified Number of Dealers who shall be selected by the Calculation Agent Provided that if at least the Minimum Number of Quotations are not available, the Calculation Agent shall seek to obtain one firm bid price from BNP Paribas which shall be the Reference Price. If BNP Paribas will not provide such quotation, the Reference Price shall be zero. All determinations hereunder shall be final and binding upon all parties; or
- (c) if "Average Highest" is specified in the applicable Final Terms, the unweighted arithmetic mean of the two highest (rounded to the nearest one-hundredth of one per cent.), to be determined by the Calculation Agent at, or about, 11.00 am (London time) on the Calculation Date, of the firm bid prices for any combination of Specified Obligations selected by the Calculation Agent in a principal amount equal to the Nominal Amount outstanding of the Securities (or the Reference Partial Redemption Amount, as the case may be) as quoted by the Specified Number of Dealers who shall be selected by the Calculation Agent and provided that if at least the Minimum Number of Quotations are not available, the Calculation Agent shall seek to obtain one firm bid price from BNP Paribas which shall be the Reference Price. If BNP Paribas will not provide such quotation, the Reference Price shall be zero. All determinations hereunder shall be final and binding upon all parties;

**"Related Agreement"** means each Swap Agreement, Repurchase Agreement and/or Collateral Exchange Agreement entered into by the Issuer with the relevant Related Agreement Counterparty in connection with a series of Secured Securities;

**"Related Agreement Counterparty"** means the relevant Swap Counterparty, Repo Counterparty or the Collateral Exchange Counterparty, as the context requires;

**"Related Agreement Counterparty Default"** means an Early Redemption Event has occurred which is a Related Agreement Termination Event and (a) the Collateral Exchange Counterparty is the defaulting party under the Collateral Exchange Agreement and/or (b) where the Collateral Exchange Counterparty and the Swap Counterparty are the same entity, the Swap Counterparty is the Defaulting Party (as defined in the relevant Swap Agreement) under the Swap Agreement;

**"Related Agreement Termination Event"** means the early termination of any Swap Agreement (or any other agreement specified as a Related Agreement in the Final Terms) entered into in respect of the Securities other than (a) where the Issuer is the Defaulting Party (as defined in the relevant Swap Agreement or Repurchase Agreement, as the case may be) thereunder and the relevant event of default relates to the insolvency of the Issuer or (b) the termination results from an event of default under the Securities or (c) the termination is due to the purchase by the Issuer of all the outstanding Securities of a series;

**"Renouncement Notice"** has the meaning given to it in Collateral Security Condition 8.5;

**"Repayable Assets"** has the meaning given to it in Collateral Security Condition 5.7;

**"Replacement Collateral Assets"** are the securities which are specified to be Replacement Collateral Assets in the applicable Final Terms and fall within the definition of Eligible Collateral in the Eligible Collateral Annex;

**"Replacement Cost Amount"** means, as determined by the Calculation Agent, an amount in the Repo Contractual Currency that the Repo Counterparty reasonably determines in good faith to be its total losses and costs (in which case such amount shall be payable by the Issuer to the Repo Counterparty) or gain (in which case such amount shall be payable by the Repo Counterparty to the Issuer) in connection with the termination of the Repurchase Agreement and the series of Repo Transactions, including any loss of bargain, cost of funding or, at the election of the Repo Counterparty but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or re-establishing any hedge or related trading position (or any gain resulting from any of them), and includes losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the final Repurchase Date and not made as a result of the termination of the Repurchase Agreement. The Repo Counterparty may (but need not) refer to quotations of relevant rates or prices from one or more leading dealers in the relevant markets in determining such amount, provided that the absolute value of such amount determined by Repo Counterparty shall not exceed the Repurchase Price in respect of the last Repo Transaction under the Repurchase Agreement prior to the termination thereof;

**"Repo Contractual Currency"** means the contractual currency of the relevant Repurchase Agreement;

**"Repo Counterparty"** means the entity specified as such in the applicable Final Terms;

**"Repo Counterparty Priority of Payments"** means the Collateral Enforcement Proceeds or the Collateral Assets (where Physical Delivery of Collateral is applicable) shall be used by the Security Trustee to make payments and/or, where Physical Delivery of Collateral is applicable, deliveries 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, to the extent required to meet any termination payment (if any) due to the Repo Counterparty under the Repurchase Agreement which payment obligation will equal the amount (if any) by which such Collateral Enforcement Proceeds exceed the Repurchase Price then payable by the Repo Counterparty;
- (b) secondly, to pay any Enforcement Expenses to the Security Trustee and/or any appointee or agent thereof or any receiver appointed in connection with the relevant Collateral Pool;
- (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, rateably to pay the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the Securities. If the moneys or, if applicable, Collateral Assets, received by the Security Trustee are not enough to pay such amounts in full, the Security Trustee shall apply them pro rata on the basis of the amount due to each party entitled to such payment;
- (e) fifthly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities and/or where Physical Delivery of Collateral is applicable, to deliver the aggregate applicable Delivery Shares due in respect of the relevant Secured Securities; and
- (f) sixthly, to pay the balance (if any) to the Issuer;

**"Repo Transaction"** means each Transaction as such term is defined in the Repurchase Agreement;

**"Repurchase Agreement"** means the repurchase agreement entered into by the Issuer with the relevant Repo Counterparty in respect of the relevant series of Secured Securities;

**"Repurchase Agreement Termination Payment"** means, as determined by the Calculation Agent in relation to any Repurchase Agreement, the termination payment due either from the Issuer to the Repo Counterparty or from the Repo Counterparty to the Issuer upon termination of such Repurchase Agreement in accordance with the terms thereof, which shall, in circumstances where the Repo Counterparty is not the Defaulting Party (as defined in the Repurchase Agreement), include any Replacement Cost Amount;

**"Repurchase Date"** means each date on which the Repo Counterparty purchases Equivalent Securities to securities it has sold under the Repurchase Agreement;

**"Repurchase Price"** has the meaning given to such term in the Repurchase Agreement;

**"Residual Additional Proceeds Amount"** means the Additional Proceeds Amount remaining after deduction of an amount equal to the part (if any) of such proceeds which are used to pay Priority Amounts;

**"Residual Credit Support Proceeds"** means the Credit Support Sale Proceeds (if any) remaining after deduction of an amount equal to the part (if any) of such proceeds which are used to pay Priority Amounts;

**"Residual Proceeds Amount"** has the meaning given to it in Collateral Security Condition 7.5;

**"Residual Shortfall"** has the meaning given to it in Collateral Security Condition 11;

**"Rounding Amount"** means has the meaning given to such term in Collateral Security Condition 7.5;

**"Scheduled Maturity Date"** means the date specified as such in the applicable Final Terms;

**"Secured Parties"** means the Security Trustee for itself and on behalf of the relevant Holders and each Related Agreement Counterparty or such parties specified in the applicable Final Terms;

**"Secured Securities MTM Event"** means the bid price (exclusive of accrued interest) in respect of the outstanding Secured Securities (express as a percentage of the Nominal Amount of such Secured Securities) is equal to or less than the Collateral Trigger Percentage, as determined in accordance with the MTM Trigger Valuation Method;

**"Security Agreement"** means each of the Pledge Agreement, the Security Trust Deed, any Additional Security Document and/or Alternative Security Document applicable to the relevant series of Secured Securities;

**"Security Delivery Cash Amount"** means, in respect of a Secured Security, a pro rata share in respect of such Secured Security of the aggregate of the Residual Additional Proceeds Amount, the Residual Proceeds Amount and the Residual Credit Support Proceeds in respect of the relevant series of Secured Securities;

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

**"Security Realised Amount"** is as defined in Collateral Security Condition 7.4;

**"Security Termination Amount"** means, in respect of a Secured Security, an amount determined by the Collateral Calculation Agent equal to:

- (a) if Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Realisation Amount of the relevant Secured Security subject to a maximum amount equal to the nominal value of such Secured Security;
- (b) if Realisation Proceeds is specified in the applicable Final Terms, the Realisation Amount in respect of the relevant Secured Security;
- (c) if Partial Nominal Value Realisation Proceeds is specified in the applicable Final Terms, the Realisation Amount in respect of the Secured Security subject to a maximum amount equal to the product of (i) the nominal value of such Secured Security and (ii) the Collateralisation Level applicable to the relevant series of Secured Securities; or
- (d) if Physical Delivery of Collateral is applicable, the sum of the Security Delivery Cash Amount and the relevant Rounding Amount relating to such Secured Security;

**"Security Trustee"** means The Law Debenture Trust Corporation p.l.c, or such other entity as is specified in the applicable Final Terms, and, if applicable, any agent of, or any other entity appointed by the Security Trustee;

**"Security Trust Deed"** means the security trust deed between, *inter alios*, the Issuer and the Security Trustee relating to the relevant series of Secured Securities which will incorporate the Security Trust Terms;

**"Security Trust Terms"** means the security trust deed terms which will be entered into between the Issuer and the Security Trustee relating to certain issues of secured securities by the Issuer;

**"Senior Obligation"** means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the RCA Reference Entity;

**"Senior Transaction"** means a RCA Reference Entity for which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation;

**"Seniority Level"** means, with respect to an obligation of the relevant RCA Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in respect of the relevant RCA Reference Entity, or (b) if no such

seniority level is specified in respect of the RCA Reference Entity, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level";

"**Shortfall**" is as defined in Collateral Security Condition 7.4;

"**Specified Number of Dealers**" means the number of dealers specified in the applicable Final Terms;

"**Specified Obligations**" means the securities specified as such in the applicable Final Terms;

"**Specified Reference Entity**" is the entity specified as such in the applicable Final Terms;

"**Specified 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;

"**Successor**" means in respect of the RCA Issuer, any successor entity which assumes the Reference Collateral Assets or, if there is more than one such successor entity, the successor entity which assumes the highest proportion of the outstanding principal amount of such Reference Collateral Assets as determined by the Calculation Agent, provided that if more than one successor entity assumes such highest proportion of such Reference Collateral Assets, the successor entity shall be determined by the Calculation Agent in a commercially reasonable manner provided further that if one or more of RCA Issuer/Parent Bankruptcy Event, RCA Issuer/Parent Payment Default Event, RCA Issuer/Parent Restructuring Event RCA Issuer/Parent Governmental Intervention Event, RCA Issuer/Parent Obligation Acceleration Event and RCA Issuer/Parent Repudiation/Moratorium Event applies to an RCA Reference Entity in respect of the relevant series of Secured Securities, such successor(s) in respect of the relevant RCA Referencing Entity shall be determined as if the RCA Reference Entity were a Reference Entity for the purposes of Annex 12 (Additional Terms and Conditions for Credit Securities) and shall be determined as if the terms of Annex 12 (Additional Terms and Conditions for Credit Securities) were set out in full in this Annex 13 for the purposes of determining such successor;

"**Swap Agreement**" means the swap agreement entered into by the Issuer with the relevant Swap Counterparty in respect of the Secured Securities;

"**Swap Agreement Termination Payment**" means the termination payment due between the Issuer and the Swap Counterparty upon early termination of the Swap Agreement calculated in accordance with the terms of the relevant Swap Agreement provided that where Recovery Access is specified to be not applicable in the applicable Final Terms, any termination payment which would otherwise be due from the Issuer to the Swap Counterparty in respect of the relevant Swap Agreement shall be deemed to be equal to zero;

"**Swap Counterparty**" means the entity specified as such in the applicable Final Terms;

"**Swap Counterparty Priority of Payments**" means the Collateral Enforcement Proceeds or the Collateral Assets (where Physical Delivery of Collateral is applicable) shall be used by the Security Trustee to make payments and/or, where Physical Delivery of Collateral is applicable, deliveries 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 Security Trustee and/or any appointee or agent thereof or any receiver appointed in connection with the relevant Collateral Pool;
- (ii) secondly, rateably to pay the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the relevant series of Secured Securities and the Collateral Exchange Counterparty under Collateral Exchange Agreement relating to the relevant series of Secured Securities. If the moneys

or, if applicable, Collateral Assets, received by the Security Trustee are not enough to pay such amounts in full, the Security Trustee shall apply them pro rata on the basis of the amount due to each party entitled to such payment;

- (iii) thirdly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities and/or where Physical Delivery of Collateral is applicable, to deliver the aggregate applicable Delivery Shares due in respect of the relevant Secured Securities; and
- (iv) fourthly, to pay the balance (if any) to the Issuer;

**"Swap Counterparty Priority of Payments – Subordination Flip"** means the Collateral Enforcement Proceeds or the Collateral Assets (where Physical Delivery of Collateral is applicable) shall be used by the Security Trustee to make payments and/or, where Physical Delivery of Collateral is applicable, deliveries 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 Security Trustee and/or any appointee or agent thereof or any receiver appointed in connection with the relevant Collateral Pool;
- (ii) secondly, rateably to pay the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the relevant series of Secured Securities unless the Swap Agreement(s) are terminated as a result of an Event of Default (as defined in the Swap Agreement(s)) where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement(s)), in which case the amount of such claims shall be payable in accordance with clause (iv) below. If the moneys or, if applicable, Collateral Assets, received by the Security Trustee are not enough to pay such amounts in full, the Security Trustee shall apply them pro rata on the basis of the amount due to each party entitled to such payment;
- (iii) thirdly, to pay the aggregate Security Termination Amounts due in respect of the relevant Secured Securities and/or where Physical Delivery of Collateral is applicable, to deliver the aggregate applicable Delivery Shares due in respect of the relevant Secured Securities;
- (iv) fourthly, if the Swap Agreement(s) are terminated as a result of an Event of Default (as defined in the Swap Agreement(s)) where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement(s)), rateably in meeting the claims (if any) of the Swap Counterparty under each Swap Agreement relating to the relevant series of Secured Securities. If the moneys or, if applicable, the Collateral Assets, received by the Security Trustee are not enough to pay such amounts in full, the Security Trustee shall apply them pro rata on the basis of the amount due to each party entitled to such payment; and
- (v) fifthly, to pay the balance (if any) to the Issuer;

**"Swap MTM Event"** means that the price that would be payable from the Issuer to the Swap Counterparty (expressed as a percentage of the notional amount of the Swap Agreement) were the Swap Agreement to be terminated is greater than or equal to the Collateral Trigger Percentage, as determined in accordance with the MTM Trigger Valuation Method;

**"Transaction Type"** means, unless otherwise specified in the Final Terms, each "Transaction Type" specified as such in the Physical Settlement Matrix from time to time.

**"Undeliverable Collateral Assets"** means Collateral Assets which the Security Trustee (or its agent) is unable to deliver in accordance with Collateral Security Condition 7.6 due to the occurrence of a Collateral Settlement Disruption Event;

**"Underlying Obligation"** means, with respect to a guarantee, the obligation which is the subject of the guarantee.

## 1.2 Interpretation

The following terms and the defined terms referred to in such terms shall have the meaning given to them in Part A-1 of Annex 12 (Additional Terms for Credit Securities) provided that for the purposes of these Collateral Security Conditions only (a) any reference therein to a Reference Entity shall be deemed to be a reference to the relevant RCA Entity or RCA Entities; (b) any reference to "Deliverable Obligations" or "Physical Settlement Date" shall be ignored; (c) any references to "Credit Event" shall be deemed to be a reference to "Early Redemption Event", (d) any references to "Credit Event Backstop Date" shall be deemed to be a reference to the applicable Event Trigger Date and (e) any references to Credit Securities shall be deemed to be references to Nominal Value Repack Securities:

Bankruptcy, Bond, Bond or Loan, Borrowed Money, Credit Derivatives Determinations Committee, Credit Event Backstop Date, Credit Event Resolution Request Date, DC Credit Event Question Dismissal, DC No Credit Event Announcement, DC Secretary, Domestic Currency, Event Determination Date, Excluded Obligation, Exercise Amount, Failure to Pay, Governmental Intervention, Guarantee, Listed, Loan, M(M)R Restructuring, Non-Standard Reference Obligation, Not Domestic Currency, Not Domestic Issuance, Not Domestic Law, Notice Delivery Period, Not Sovereign Lender, Not Subordinated, Payment, Physical Settlement Matrix, Potential Failure To Pay, Potential Repudiation/Moratorium, Prior Reference Obligation, Obligation Acceleration, Publicly Available Information, Qualifying Affiliate Guarantee, Qualifying Guarantee, Reference Entity Notional Amount, Reference Obligation Only, Relevant Guarantee, Relevant Obligations, Repudiation/Moratorium, Repudiation/Moratorium Evaluation Date, Resolve, Restructuring, Rules, Specified Currency, SRO List, Standard Reference Obligation, Subordinated, Substitute Reference Obligation and Underlying Obligor.

## 2. General

### 2.1 Security Trustee

The Law Debenture Trust Corporation p.l.c. shall be the Security Trustee in respect of the Secured Securities as set out below and in the applicable Final Terms (unless another entity is so specified as security trustee in the applicable Final Terms) and subject to the terms of the Security Trust Deed. The expression "Security Trustee" shall, in relation to the relevant Secured Securities, include such other specified security trustee.

### 2.2 Security Agreements

The Security Trust Deed will be governed by English law. The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and Condition 21.4 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

Condition 2.1(a) 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 Security Trustee (each a "**Pledge Agreement**") pursuant to which the Issuer will grant a first ranking security interest in favour of the Security Trustee, for itself and on behalf of the Secured Parties, 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**"). In addition to a Pledge Agreement, the Issuer will enter into a Security Trust Deed with the Security Trustee to, *inter alia*, grant security over its rights under the Charged Agreement(s) in favour of the Security Trustee for itself and on behalf of the Secured Parties. 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.

### 3.3 Transfer of Collateral Assets

The Issuer will transfer into the Collateral Account on the Initial Posting Date and, subject to Collateral Security Condition 3.8 and Collateral Security Condition 3.9, hold in such account on any day thereafter, an aggregate nominal amount of the Collateral Assets, at least equal to the Reference Collateral Currency Equivalent of the product of (i) the aggregate Nominal Amount of the Secured Securities on such date and (ii) the Collateralisation Level or where a Repurchase Agreement has been entered into in connection with the relevant series of Secured Securities, Collateral Assets with a marked to market value (as adjusted by any Haircut) at least equal to the Reference Collateral Currency Equivalent of the product of (i) the aggregate Nominal Amount of the Secured Securities on such date and (ii) the Collateralisation Level. Where a Repurchase Agreement is entered into in respect of a series of Secured Securities, the Issuer shall withdraw the relevant Collateral Assets from the Collateral Account on the relevant repurchase date and deliver these to the Repo Counterparty and it will receive from the Repo Counterparty the relevant repurchase price in respect of the Repo Transaction. Where, on the relevant repurchase date, the Issuer enters into a further Repo Transaction with the Repo Counterparty, it will receive Collateral Assets with a marked to market value (as adjusted by any Haircut) at least equal to the Reference Collateral Currency Equivalent of the product of (i) aggregate Nominal Amount of the Secured Securities on such date and (ii) the Collateralisation Level and pay the relevant purchase price for such Collateral Assets.

### 3.4 Collateral Pools

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 will be secured by a Collateral Pool which may secure more than one series of Secured Securities.

### 3.5 No collateralisation of Secured Securities held by the Issuer or any of its Affiliates where Group Collateralisation is not applicable

Where Group Collateralisation is specified as not applicable in the applicable Final Terms, 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. Where Group Collateralisation is specified as not applicable in the applicable Final Terms, where the Issuer or any of its Affiliates acquires Secured Securities after the Initial Posting Date, the Issuer will be entitled to withdraw Collateral Assets with an aggregate nominal amount or, where a Repurchase Agreement is a Related Agreement, with an aggregate market value equal to (i) the product of the aggregate Nominal Amount of the Secured Securities so acquired and the applicable Collateralisation Level, provided that the Issuer shall always hold in the Collateral Account

(A) an aggregate nominal amount of Collateral Assets or (B), where a Repurchase Agreement is a Related Agreement, an amount of Collateral Assets having an aggregate marked to market value, at least equal, at any time, to the Reference Collateral Currency Equivalent of the product of (i) the aggregate Nominal Amount of the Placed Secured Securities and (ii) the Collateralisation Level. Following an Enforcement Event or Early Redemption 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. Where Group Collateralisation is specified as not applicable any amounts calculated for the purposes of these Collateral Security Conditions 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 shall be construed accordingly.

### 3.6 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.

### 3.7 Status of Guarantee

The obligations of BNPP under the BNPP Secured Securities Guarantee are direct, unsecured and unsubordinated obligations of the Guarantor and rank and will rank *pari passu* among themselves and at least *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of the Guarantor (save for statutorily preferred exceptions). 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 "Notes" for the purposes only of the Deed of Guarantee for Unsecured Notes dated on or around 10 June 2016, entered into by BNPP in respect of notes (other than Secured Securities) issued by the Issuer under its note, warrant and certificate programme. The seventh introductory paragraph to the Conditions and Conditions 2.2(a) and 2.2(c) shall not apply to the Secured Securities.

### 3.8 Collateral Exchange

Where a Collateral Exchange Agreement is specified as applicable in the applicable Final Terms, when required by the Collateral Exchange Counterparty under the terms of the relevant Collateral Exchange Agreement, the Issuer shall be entitled to withdraw relevant Specified Reference Collateral Assets from the Collateral Account against delivery of Replacement Collateral Assets with a marked to market value at least equal to the product of the Over Collateralisation Level and the marked to market value of such Specified Reference Collateral Assets which are being withdrawn provided that for the purposes of the applicable Early Redemption Events, the RCA Issuer, RCA Guarantor and, if applicable, the RCA Parent shall be deemed to be the RCA Issuer, RCA Guarantor and, if applicable the RCA Parent in respect of the Reference Collateral Assets notwithstanding the transfer of the Reference Collateral Assets under the Collateral Exchange Agreement. In accordance with the terms of the relevant Collateral Exchange Agreement, prior to the redemption of the relevant series of Secured Securities and provided that no Early Redemption Event or Event of Default occurs, the Collateral Exchange Counterparty will transfer Equivalent Securities in respect of the Reference Collateral Assets to the Issuer and the Issuer will transfer Equivalent Securities in respect of the Replacement Collateral Assets to the Collateral Exchange Counterparty. Where Collateral Exchange is specified as applicable in the applicable Final Terms and an Early Redemption Event occurs which does not result from a Related Agreement Counterparty Default, any reference to the Collateral Sale Proceeds and the sale of the Collateral Assets shall be deemed to be a reference to a sale of the Issuer's rights under the Collateral Exchange Agreement to receive Equivalent Securities in respect of the Reference Collateral Assets and to the proceeds from such sale where such rights shall be the subject of such sale rather than the securities

themselves in accordance with Collateral Security Condition 5.3 and Collateral Security Condition 5.3 shall be construed accordingly.

### 3.9 Credit Support Obligations

Where the Issuer enters into a Credit Support Document with a Swap Counterparty, it may be required to transfer some or all of the relevant Collateral Assets relating to a series of Secured Securities to the Swap Counterparty in order to comply with its obligations under such Credit Support Document but shall not at any time be required to transfer any more than the aggregate amount of Collateral Assets that it holds at such time.

### 3.10 Collateral Substitution by the Swap Counterparty

Where this Collateral Security Condition 3.10 is specified as being applicable in the applicable Final Terms then the Specified Reference Collateral Assets may be substituted in whole or part by the Swap Counterparty provided that no Event of Default has occurred. If applicable, the applicable Final Terms will specify whether the Swap Counterparty (i) may substitute the Specified Reference Collateral Assets in its discretion from time to time or (ii) will be obliged to substitute the Specified Reference Collateral Assets where the Specified Reference Collateral Assets are redeemed in whole or in part for any reason (other than upon an Early Redemption Event in relation to which the Issuer has served an Early Redemption Notice, but including upon its stated maturity save where the maturity or redemption of the Collateral falls within two calendar weeks prior to the Maturity Date of the Securities).

The Swap Counterparty may substitute the Specified Reference Collateral Assets (including, for the avoidance of doubt, any redemption proceeds following the redemption of the Reference Collateral Assets) for (in each case, the "**Qualifying Collateral**"):

- (a) either (i) securities denominated in the Specified Currency issued by the Eligible Collateral Issuer ("**Eligible Collateral Issuer Obligations**") or (ii) Specified Obligations where "Dual Substitution" is specified as applicable in the applicable Final Terms; or
- (b) Eligible Collateral Issuer Obligations where "Single Substitution" is specified in the applicable Final Terms; or
- (c) such other securities which constitute Eligible Collateral in the currency in which the existing Specified Reference Collateral Assets is expressed to be payable where "Alternative Substitution" is specified in the Final Terms.

The Qualifying Collateral to be substituted must be in a principal amount equal (or, if in another currency, the equivalent to the principal amount of the currency in which the Specified Reference Collateral Assets being substituted are expressed to be payable, as determined on the date of such substitution by the Swap Counterparty in its sole discretion) to the then principal amount of Specified Reference Collateral Assets (or, in the case of a substitution or redemption of part only of the Specified Reference Collateral Assets, of the relevant proportion thereof as at the date of such substitution).

The relevant Qualifying Collateral which may be substituted for the relevant Specified Reference Collateral Assets, shall be delivered by the Swap Counterparty to the Collateral Custodian.

By making any substitution pursuant to this Collateral Security Condition 3.10, the Swap Counterparty shall be deemed to agree with the Issuer and the Security Trustee that its obligations under the Swap Agreement shall continue in full force and effect irrespective of such substitution and that no termination or adjustment to its obligations thereunder shall occur as a consequence of such substitution.

The relevant Collateral Assets to be substituted shall, provided that the conditions for substitution referred to in this Collateral Security Condition 3.10 are met, be automatically released from the security created in respect of them under the Security Agreements. The Issuer, the Security Trustee (at the request and cost of the Issuer) and the Swap Counterparty will upon such substitution enter into such further documentation as may be required (if at all) by any applicable law and/or as may be required to give effect to the creation of security over any replacement securities, in the manner set out in this Collateral Security Condition 3.10. The Security Trustee shall have no obligation to monitor the Collateral Assets held in the Collateral Account at any time or to verify whether any substituted Specified Reference Collateral Assets constitute Qualifying Collateral, and shall have no obligation to investigate whether any substitution has been effected in accordance with this Collateral Security Condition 3.10.

After any substitution, references in these Collateral Security Conditions and the Security Agreements to Specified Reference Collateral Assets shall be construed as references to the Specified Reference Collateral Assets as substituted then comprised in the Charged Assets and references to "Charged Assets" shall be deemed to include any additional assets or rights charged or assigned in favour of the Security Trustee pursuant to such substitution.

If "Notice of Substitution" is specified as applicable in the applicable Final Terms, the Issuer shall give notice of any substitution under this Condition 3.10 to Holders in accordance with Condition 17.

Where this Collateral Security Condition 3.10 applies and "Notice of Substitution" is not specified as applicable in the applicable Final Terms, the Security Trustee and any Holders may on any Business Day require the Issuer to notify them of the composition of the Collateral Assets at such time.

### 3.11 Transfer of Specified Reference Collateral Assets upon termination of the Swap Agreement

Where the applicable Final Terms specify that the relevant series of Secured Securities is a SB/JGB Repackaging, upon termination of a Swap Agreement, the Swap Counterparty will, in addition to any other amount payable upon such termination (if any), either:

- (a) where the Secured Securities are to be redeemed by payment of an amount under Collateral Security Condition 5.9 or Collateral Security Condition 5.10 calculated by reference to the Reference Price, pay the Issuer an amount equal to the product of the Nominal Amount outstanding of the Secured Securities and the Reference Price; or
- (b) where the Secured Securities are to be redeemed by delivery of Specified Obligations pursuant to Collateral Security Condition 5.9 or Collateral Security Condition 5.10, deliver Specified Obligations, the subject of such Swap Agreement, in a nominal amount equal to the Nominal Amount outstanding of the Secured Securities (or, where Collateral Security Condition 5.11 is applicable, the lesser of the Nominal Amount outstanding of the Secured Securities and the relevant Reference Partial Redemption Amount),

in both cases against delivery of the Specified Reference Collateral Assets or, where applicable, the redemption proceeds thereof (or in the case of a partial redemption pursuant to Collateral Security Condition 5.11, against delivery of Specified Reference Collateral Assets (or the redemption proceeds thereof) with a nominal amount equal to the relevant Reference Partial Redemption Amount) to the Swap Counterparty by or on behalf of the Issuer;

### 3.12 Related Agreements

Where no reference is made in the applicable Final Terms to any Repurchase Agreement or Collateral Exchange Agreement, references in these Collateral Security Conditions to any such document or agreement

and to any Repo Counterparty or Collateral Exchange Counterparty, as the case may be, shall not be applicable.

### 3.13 Currency Conversion

Where any Collateral Assets which are denominated in a currency other than the Specified Currency (such other currency the "**Other Currency**") are sold in accordance with Collateral Security Condition 5 or Collateral Security Condition 7 or the Issuer receives any amounts in an Other Currency which are to be paid to the Holders, such amounts will be converted into the Specified Currency at an exchange rate determined by the Calculation Agent in a commercially reasonable manner (in the case of Collateral Security Condition 5) or by the Security Trustee or any agent of the Security Trustee (in the case of Collateral Security Condition 7) at the market rate available to the Security Trustee, in each case immediately prior to the payment of the relevant amount to the Holders.

## 4. **Guarantee**

Subject as provided below and in the relevant Guarantee, BNPP has unconditionally and irrevocably guaranteed to each Holder that, if, following the occurrence of an Enforcement Event and enforcement of the Security in respect of the relevant Collateral Pool and the calculation of the relevant Security Termination Amount, for any reason the Issuer does not pay the Security Termination Amount in respect of a Secured Security in full and, where Physical Delivery of Collateral is applicable, is deemed not to have paid the Calculated 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 7 and/or where, Physical Delivery of Collateral is applicable, the Latest Delivery Date has occurred.

## 5. **Early Redemption**

### 5.1 Early Redemption Events

Where any Early Redemption Events are applicable to a series of Securities, then each Security shall be redeemed early by the Issuer in accordance with this Collateral Security Condition 5 following the delivery of an Early Redemption Notice by, or on behalf of, the Issuer at its Early Redemption Amount on the Early Redemption Date or, where Collateral Physical Settlement is applicable, redeemed early by the Issuer in accordance with this Collateral Security Condition 5 following the delivery of an Early Redemption Notice by, or on behalf of, the Issuer by delivery of the Early Redemption Delivery Share applicable to such Security and payment of a pro rata share of any Early Residual Proceeds Amount provided that Secured Securities which are specified to be SB/JGB Repackagings will be redeemed in accordance with Collateral Security Condition 5.9 or Collateral Security Condition 5.10, as applicable.

### 5.2 Sale or delivery of Collateral Assets

Following the occurrence of an Early Redemption Event and delivery of an Early Redemption Notice, save where Collateral Physical Settlement is applicable, the Issuer shall as soon as reasonably practicable arrange for the sale of the Specified Reference Collateral Assets (and in connection therewith may appoint an agent to assist it in arranging such sale, a "**Collateral Disposal Agent**") in accordance with Collateral Security Condition 5.3.

### 5.3 Sale of Collateral Assets

The Issuer or the Collateral Disposal Agent shall on the Initial Collateral Valuation Date (which must fall within the Initial Collateral Valuation Period) seek firm bid quotations for the sale of the relevant Collateral Assets in respect of the relevant series of Secured Securities from at least three dealers in assets such as the relevant Specified Reference 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) provided that at least one of such dealers shall be BNP Paribas SA;

- (a) the Collateral Disposal Agent may itself provide a bid in respect of the relevant Collateral Assets relating to the relevant series of Secured Securities or any tranche thereof; and
- (b) the Issuer 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 Disposal Agent) provided that where the highest quotation is not received from BNP Paribas, BNP Paribas shall be given the opportunity to submit a revised quotation which is at least equal to the highest quotation (a "**Matching Quotation**") and if BNP Paribas does submit such a Matching Quotation, the Issuer will sell the relevant Collateral Assets to BNP Paribas.

Subject as may otherwise be provided for in these Collateral Security Conditions or the Final Terms, in effecting the sales, the Issuer may sell the relevant Collateral Assets relating to the relevant series of Secured Securities in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. If the Issuer and/or the Collateral Disposal Agent does not receive at least two quotations for all the Collateral Assets on the Initial Collateral Valuation Date (including a quotation from BNP Paribas), it shall attempt to sell the Collateral Assets on at least two other Business Days during the Collateral Valuation Period. On any subsequent Collateral Valuation Date other than the Initial Collateral Valuation Date during the Collateral Valuation Period, if BNP Paribas is the only dealer that is willing to provide a firm bid quotation for the Collateral Assets, the Issuer may sell the Collateral Assets to BNP Paribas provided that if, after the third such attempted sale (including the Initial Collateral Valuation Date), the Issuer and the Collateral Disposal Agent (if any) have still received no firm bid quotations for the relevant Collateral Assets, the relevant Collateral Assets shall be deemed to have a value of zero and the Issuer shall have no further obligation to attempt to sell the Collateral Assets.

The Issuer will not sell Collateral Assets which are Credit Support Assets (other than those received by the Issuer under a Repurchase Agreement) and references to Collateral Assets in this Collateral Security Condition 5.3 shall be construed accordingly unless (i) the relevant Early Redemption Event is a Related Agreement Termination Event where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) under the relevant Swap Agreement or, where applicable, the Collateral Exchange Counterparty is the defaulting party under the Collateral Exchange Agreement or (ii) a Swap Agreement Termination Payment is due from the Swap Counterparty to the Issuer, or as the case may be, a Collateral Exchange Agreement Termination Payment is due from the Collateral Exchange Counterparty to the Issuer and such payment is not made when due under the relevant Related Agreement, in which case the Collateral Assets which are to be sold in accordance with this Collateral Security Condition 5.3 shall include any Credit Support Assets and Replacement Collateral Assets held by the Issuer.

### 5.4 Collateral Physical Settlement

Following the occurrence of an Early Redemption Event and delivery of an Early Redemption Notice, where Collateral Physical Settlement has been specified as applicable in applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Specified Reference Collateral Assets to the Holders. Where delivery of the Specified Reference Collateral Assets is due to be made in respect of Securities, Condition 4(b)(i) shall apply and, for such purposes, the Securities shall be deemed to be Physical Delivery Securities

and the Entitlement (unless specified otherwise in the applicable Final Terms) shall be deemed to be the delivery of the Early Redemption Delivery Share applicable to such Security and the Issuer shall pay a pro rata share of the sum of any Early Residual Proceeds Amount, Credit Support Sale Proceeds and/or Early Redemption Additional Proceeds Amount after the use of such sums to pay any Early Redemption Costs.

Prior to determining the Early Redemption Delivery Share in respect of each Secured Security, the Issuer shall determine the cash amount which is equal to the sum of the Credit Support Sale Proceeds and the Early Redemption Additional Proceeds Amount and whether such cash sum is sufficient to satisfy any applicable Early Redemption Costs in full. If such sum is not sufficient to satisfy the applicable Early Redemption Costs in full, the Calculation Agent shall then calculate the amount of Specified Reference Collateral Assets which are required to be sold in order to pay any Early Redemption Costs after the application of such Credit Support Sale Proceeds and Early Redemption Additional Proceeds Amount to pay such Early Redemption Costs and the Issuer shall arrange for the sale of the relevant amount of Specified Reference Collateral Assets to meet any unsatisfied Early Redemption Costs and any proceeds from such sale remaining after payment of such Early Redemption Costs shall be the "**Early Residual Proceeds Amount**" and shall be paid in accordance with this Collateral Security Condition 5.4.

In connection with any such delivery in respect of the Secured Securities, such delivery shall be made in accordance with Condition 4(b)(i) and the Entitlement shall be deemed to be a Security's Early Redemption Delivery Share. The Issuer shall be entitled to appoint one or more agents to assist it with the delivery of the Entitlement and sale required of Collateral Assets required to be made in accordance with this Collateral Security Condition 5.4.

In connection with such delivery, (i) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(C), Expenses shall be deemed to include any expenses and costs which are incurred in delivery of the Collateral Assets in accordance with this Collateral Security Condition 5.4, (iii) the Issuer shall be entitled to deduct from the assets deliverable to Holders all Expenses not previously deducted from amounts paid or assets delivered to Holders, as the Issuer shall in its sole and absolute discretion determine are attributable to the relevant Secured Securities and (iv) any reference in the Security Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Collateral Assets in accordance with this Collateral Security Condition 5.4, to be a reference to "Specified Reference Collateral Assets".

The final sentence of the first paragraph of Condition 4(b)(i)(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 Issuer (or by such agent as may be appointed by the Issuer for such purpose) and a pro rata share of the resulting amount (the "**Rounding Amount**") shall be paid to each Holder whose Entitlement is subject to such rounding.

Any reference in the Security Conditions to Relevant Assets shall be deemed to be, in connection with an Early Redemption Event, a reference to the Specified Reference Collateral Assets which are comprised in the Entitlement for such Secured Security. Where Collateral Physical Settlement is applicable and the relevant Specified Reference Collateral Assets have redeemed prior to the date on which the Specified Reference Collateral Assets are delivered, in lieu of such delivery, the Holder shall be entitled to payment of a pro rata share of such proceeds after payment of any Early Redemption Costs. Where Collateral Physical Settlement is applicable and (i) the Issuer is holding Credit Support Assets relating to the relevant series of Secured Securities, (ii) such Credit Support Assets which are Margin Securities and/or where (A) the relevant Early Redemption Event is a Related Agreement Termination Event where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) under the relevant Swap Agreement or, where applicable, the Collateral Exchange Counterparty is the defaulting party under the Collateral Exchange Agreement or (B) a Swap Agreement Termination Payment is due from the Swap Counterparty to the Issuer, or, as the case may be, a Collateral Exchange Agreement Termination Payment is due from the Collateral Exchange Counterparty

to the Issuer, and, where either (A) or (B) applies, such payment is not made when due under the relevant Related Agreement, the relevant Credit Support Assets shall be sold in the manner set out in Collateral Security Condition 5.3. In addition, where the Collateral Exchange Counterparty is the defaulting party under the Collateral Exchange Agreement and the Issuer is holding Replacement Collateral Assets, such Replacement Collateral Assets shall be sold in the manner set out in Collateral Security Condition 5.3. The sale proceeds in respect thereof shall be first used to pay any Early Redemption Costs before the Issuer or the Collateral Disposal Agent sells any Specified Reference Collateral Assets and any proceeds of such sale shall be treated as Credit Support Sale Proceeds for the purposes of the first two paragraphs of this Collateral Security Condition 5.4.

The Issuer will not deliver Collateral Assets which are Credit Support Assets or Replacement Collateral Assets and references in this Collateral Security Condition 5.4 to Collateral Assets shall be construed accordingly.

Where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms and a Settlement Disruption Event occurs, Condition 4(b)(i)(E) shall apply provided that the Disruption Cash Redemption Amount will be equal to the Disruption Cash Redemption Amount specified in the applicable Final Terms.

#### 5.5 Annex Early Redemption Events

Where the Early Redemption Notice relates to an Annex Early Redemption Event, the amount payable on redemption of the Securities will be the Early Redemption Amount set out in this Collateral Security Condition 5 and not the fair market value of the Security or other amount set out in the relevant applicable Annex or in Condition 9.

#### 5.6 Credit Nominal Value Repack Securities

Where the Secured Securities are Credit Nominal Value Repack Securities, Credit Security Conditions 2(b)(a), 2(b)(c), or 2(f) shall not apply to the Secured Securities and instead following the occurrence of an Event Determination Date, the applicable Early Redemption Amount will be payable. Where an event occurs which would lead to an early redemption of the Secured Securities in accordance with Credit Security Conditions 2(c) or 2(d), an Annex Early Redemption Event shall be deemed to have occurred and the amount payable on redemption of the Securities will be the Early Redemption Amount determined in accordance with these Collateral Security Conditions and not the fair market value of the Security.

Where an Event Determination Date occurs in respect of a Credit Event (as defined in Annex 12 (Additional Terms and Conditions for Credit Securities)) which is a Restructuring and the Exercise Amount is for an amount less than the aggregate Nominal Amount outstanding of the Securities, the Securities shall be partially redeemed ("**Credit Partial Redemption**") pro rata in an amount equal to the Exercise Amount (the "**Credit Partial Redemption Amount**"). The Securities, in an amount equal to the aggregate Nominal Amount outstanding prior to any Credit Partial Redemption less the Credit Partial Redemption Amount, shall remain outstanding and the words "Nominal Amount of the Secured Securities" or "nominal value" should be construed accordingly where relevant. Interest (if applicable) shall continue to accrue on the Nominal Amount outstanding of the Secured Securities following the reduction in such Nominal Amount outstanding upon a Credit Partial Redemption in accordance with Condition 3.

#### 5.7 Scheduled Repayment of Collateral Assets

Where either (a) more than one issue or type of Specified Reference Collateral Asset is specified in respect of a series of Secured Securities in the applicable Final Terms and one of the Specified Reference Collateral Assets is scheduled to mature prior to the Maturity Date or (b) the relevant Specified Reference Collateral Assets are scheduled to redeem in part from time to time, unless Amortisation Trigger is specified as

applicable in respect of the relevant Reference Collateral Assets, in the event that some only of the Reference Collateral Assets in the relevant Collateral Pool are redeemed (the "**Repayable Assets**") or part of the principal amount of a Specified Reference Collateral Asset is redeemed in accordance with its terms (a "**Partial Redemption**"), each Security 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 Securities that the principal amount of the Repayable Assets or the principal amount of the Partial Redemption (together, a "**Nominal Reduction Amount**") bears to the aggregate principal amount of all of the Specified Reference Collateral Assets and no Early Redemption Event shall be deemed to have occurred. Any such redemption shall occur not later than 10 Business Days following the date on which the Issuer receives the relevant redemption proceeds in respect of the relevant Specified Reference Collateral Assets. Interest (if applicable) shall continue to accrue on the Nominal Amount outstanding of the Secured Securities following the reduction in such Nominal Amount by the relevant Nominal Reduction Amount in accordance with Condition 3.

#### 5.8 Market Value Put Option

If so provided in the applicable Final Terms, the Holder(s) of 100 per cent. of the Secured Securities of a series which is secured by a Single Series Collateral Pool will have the option (the "**Market Value Put Option**") to require the Issuer to redeem the Securities at any time prior to the scheduled Maturity Date by payment to each Holder of an amount that is equal to such Holder's pro rata share of the Put Option Redemption Amount. The date for redemption following the exercise by the Holder(s) of the Market Value Put Option shall be the date falling 10 Business Days after the date on which the relevant Securities together with a Put Notice (where there is only one Holder) or the last Put Notice (where there are two or more Holders and each of them has exercised the Market Value Put Option) are deposited with a Security Agent (the "**Put Optional Redemption Date**"), provided that, if in the discretion of the Calculation Agent it is not practicable or possible to redeem the Securities on such date, the Issuer shall redeem the Securities on a date determined by the Calculation Agent in its sole discretion.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of this Note the relevant Noteholder must deliver at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying 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 the Registrar or any Paying Agent (a "Put Notice") and in which the Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition, accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control in accordance with the Note Agency Agreement. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the relevant Noteholder must, within the Notice Period, give notice to the Registrar or Paying Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice given by a Noteholder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead request the Security Trustee to declare such Note forthwith due and payable pursuant to Collateral Security Condition 7.

## 5.9 Early Redemption in respect of SB/JGB Repackagings - standard

Where the applicable Final Terms specify that the relevant series of Secured Securities is a SB/JGB Repackaging and the method of early redemption is specified as being "Standard":

- (a) For the purposes of the Collateral Security Conditions, the delivery of a Reference Collateral Credit Event Notice in respect of a Reference Collateral Credit Event shall be deemed to be an Early Redemption Event.
- (b) Following the delivery by the Calculation Agent of a Reference Collateral Credit Event Notice in respect of a Specified Reference Entity, the Issuer shall give notice to the Holders in accordance with Condition 17 of the redemption of the relevant series of Secured Securities to occur on the date falling three Business Days after the Calculation Date, and shall redeem the Securities on such date by payment to each Holder of such Holder's pro rata share of an amount which is equal to the product of the Nominal Amount outstanding of the Securities and the Reference Price (which shall be expressed as a percentage) less any amounts payable in respect of any Security Trustee's fees, costs and expenses.
- (c) Following the delivery by the Calculation Agent of a Reference Collateral Credit Event Notice in respect of an Eligible Collateral Issuer, the Issuer shall give notice to the Holders in accordance with Condition 17 of the redemption of the relevant series of Secured Securities to occur on the date specified in the notice, which shall be the date falling three Business Days after the service of such notice, and shall redeem the Securities on such date by procuring the delivery to each Holder of such Holder's pro rata share of the Specified Reference Collateral Assets (after rounding down such entitlement to the largest amount of Specified Reference Collateral Assets which is transferable) or, if before its delivery the Specified Reference Collateral Assets are redeemed, the payment to each Holder of such Holder's *pro rata* share of the redemption proceeds thereof.

The Issuer will procure that the Specified Reference Collateral Assets to be delivered pursuant to this Collateral Security Condition 5.9(c) are delivered in accordance with the physical settlement procedures set out in Collateral Security Condition 5.4 provided for such purpose there shall be deemed to be no Early Redemption Costs.

- (d) Following the occurrence of an Early Redemption Event other than a Reference Collateral Credit Event in respect of the Specified Reference Entity or the Eligible Collateral Issuer, the Issuer may give notice to the Holders in accordance with Condition 17 of the redemption of the Securities to occur on the date specified in the notice, which shall be the date falling 30 Business Days after the Early Redemption Notice is delivered, and shall redeem the Securities on such date by procuring the delivery to each Holder of such Holder's Early Redemption Delivery Share in respect of each Security it holds.

The Issuer will procure that the Specified Reference Collateral Assets to be delivered pursuant to this Collateral Security Condition 5.9(d) are delivered in accordance with the physical settlement procedures set out in Collateral Security Condition 5.4.

- (e) For the avoidance of doubt, where delivery of securities is to be made to Holders in accordance with Collateral Security Condition 5.9(c) or (d), as set out in Collateral Security Condition 5.4, a Holder will also receive a pro rata share of the sum of any Early Residual Proceeds Amount and/or Additional Proceeds Amount after, in the case of Collateral Security Condition 5.9(d) only, the use of such sums to pay any Early Redemption Costs and each Holder whose Entitlement is subject to rounding as referred to in Collateral Security Condition 5.4, will receive a pro rata share of Rounding Amount in accordance with Collateral Security Condition 5.4.

- (f) For the avoidance of doubt, any Swap Agreement Termination Payment payable upon the termination of the Swap Agreement in connection with the relevant Early Redemption Event will, where applicable, take into account the value of the Swap Counterparty's option (if any) to substitute Specified Obligations for the Specified Reference Collateral Assets as set out in Collateral Security Condition 3.10, including the credit risk of the relevant RCA Reference Entity.

5.10 Early Redemption in respect of SB/JGB Repackagings - Payment of Reference Price or Delivery of Specified Obligations

Where the applicable Final Terms specify that the relevant series of Secured Securities is a SB/JGB Repackaging and the method of early redemption is specified as being "Payment of Reference Price" or "Delivery of Specified Obligations":

- (a) For the purposes of the Collateral Security Conditions, the delivery of a Reference Collateral Credit Event Notice in respect of a Reference Collateral Credit Event shall be deemed to be an Early Redemption Event.
- (b) Following the delivery by the Calculation Agent of a Reference Collateral Credit Event Notice in respect of a Specified Reference Entity, the Issuer shall give notice to the Holders in accordance with Condition 17 of the redemption of the relevant series of Secured Securities (or part thereof where Collateral Security Condition 5.11 is applicable) to occur on the date specified in the notice, which shall, unless the applicable Final Terms provides otherwise, be the date falling 3 Business Days after the Calculation Date, and shall redeem the Securities (or part thereof where Collateral Security Condition 5.11 is applicable) on such date by:
  - (i) if "Payment of Reference Price" is specified in the applicable Final Terms, payment to each Holder of such Holder's pro rata share of an amount which is equal to the product of the Nominal Amount outstanding of the Securities and the Reference Price (which shall be expressed as a percentage) less any amounts payable in respect of any Security Trustee's fees, costs and expenses and as adjusted for any termination payment due under any relevant Swap Agreement; or
  - (ii) if "Delivery of Specified Obligations" is specified in the applicable Final Terms, delivery of such Holder's pro rata share of Specified Obligations with a nominal amount outstanding equal to the Nominal Amount outstanding of the Secured Securities (or, where Collateral Security Condition 5.11 is applicable, the lesser of the Nominal Amount outstanding of the Secured Securities and the relevant Reference Partial Redemption Amount), remaining after the sale by the Issuer of Specified Obligations to finance payment of any Security Trustee's fees, costs and expenses and of any Swap Agreement Termination Payment due from the Issuer to the Swap Counterparty and after rounding down such entitlement to the largest amount of Specified Obligations which is transferable. In such circumstances, the Issuer will ensure that the Specified Obligations to be delivered pursuant to this Collateral Security Condition 5.10 are delivered in accordance with the physical settlement procedures set out in Collateral Security Condition 5.4 to the relevant Holder, provided that any reference therein to the Specified Reference Collateral Assets shall be deemed to be a reference to the relevant Specified Obligations.
- (c) Following the occurrence of an Early Redemption Event other than a Reference Collateral Credit Event in respect of the Specified Reference Entity, the Issuer may give notice to the Holders in accordance with Condition 17 the redemption of the Securities to occur on the date specified in the notice, which shall be the date falling 30 Business Days after the Early Redemption Notice is

delivered, and shall redeem the Securities on such date by procuring the delivery to each Holder of such Holder's Early Redemption Delivery Share.

- (d) For the avoidance of doubt, where delivery of securities is to be made to Holders in accordance with Collateral Security Condition 5.10(b)(ii) or (c), as set out in Collateral Security Condition 5.4, a Holder will also receive a pro rata share of the sum of any Early Residual Proceeds Amount and/or Additional Proceeds Amount after the use of such sums to pay any Early Redemption Costs and each Holder whose Entitlement is subject to rounding as set out in Collateral Security Condition 5.4, will receive a Rounding Amount in accordance with Collateral Security Condition 5.4.
- (e) For the avoidance of doubt, any Swap Agreement Termination Payment payable upon the termination of the Swap Agreement in connection with the relevant Early Redemption Event will, where applicable, take into account the value of the Swap Counterparty's option (if any) to substitute Specified Obligations for the Specified Reference Collateral Assets as set out in Collateral Security Condition 3.10, including the credit risk of the relevant RCA Reference Entity.

#### 5.11 Partial redemption – Reference Collateral Credit Events

Where the applicable Final Terms specify that Reference Collateral Credit Events apply and where a Reference Collateral Credit Event Notice is served in respect of a Reference Credit Event which is a Restructuring and the Exercise Amount is for an amount less than the Aggregate Nominal Amount outstanding of the Securities, the Securities shall be partially redeemed ("**Reference Partial Redemption**") pro rata in an amount equal to the Exercise Amount ("**Reference Partial Redemption Amount**"). The Securities, in an amount equal to the aggregate Nominal Amount outstanding of the Securities prior to any Partial Redemption less the Reference Partial Redemption Amount, shall remain outstanding and the words "Nominal Amount of the Securities" should be construed accordingly where relevant. Interest (if applicable) shall continue to accrue on the Nominal Amount outstanding of the Secured Securities following the reduction in such Nominal Amount by the relevant Reference Partial Redemption Amount in accordance with Condition 3.

## 6. Interest

### 6.1 Cessation of Interest Accrual

Upon the occurrence of an Early Redemption Event other than a CDS Credit Event, interest on such Secured Security shall cease to accrue with effect from and including:

(a) either:

(i) the Interest Payment Date; or

(ii) if so specified in the Final Terms, the Interest Period End Date,

immediately preceding the date of such Early Redemption Event (or, in the case of the first Interest Period, the Interest Commencement Date); or

(b) if so specified in the Final Terms, the date of such Early Redemption Event.

### 6.2 Credit Nominal Value Repack Securities

Collateral Security Condition 6.1 shall not apply to Credit Nominal Value Repack Securities where the relevant Early Redemption Event is a CDS Credit Event in which case Credit Security Condition 3 and the other relevant provisions of Part A-1 of Annex 12 (Additional Terms and Conditions for Credit Securities) shall apply.

### 6.3 Deferred Interest Payments

Where Deferral of Payments is specified as applicable in the applicable Final Terms, upon the occurrence, in the opinion of the Calculation Agent, of a Payment Deferral Event, interest on the Nominal Amount outstanding of the Securities will be paid in accordance with Condition 3 on the relevant Deferred Interest Payment Date provided that no interest shall be payable on the Securities or any accrued interest thereon for the period from (and including) the relevant Interest Payment Date to such Deferred Interest Payment Date.

## 7. Events of Default and Enforcement

### 7.1 Events of Default

The Security Trustee at its discretion may, and if so requested in writing by the Holders of at least one-fifth of the outstanding nominal amount of the Secured Securities of the relevant series, or if so directed by an Extraordinary Resolution of such Holders, shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction) deliver a notice (an "**Acceleration Notice**") to the Issuer, the Principal Paying Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) that each relevant series of Secured Securities secured by the Collateral Pool which is the subject of the Acceleration Notice shall forthwith 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 as set out in Collateral Security Condition 7.5) without further action or formalities and the Security Interests granted under the Security Agreements shall become enforceable (as set out in the Security Agreements), if any of the following events occurs (each an "**Event of Default**"):

- (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 Paying Agent by any Holder or a Related Agreement terminates early where the where the Issuer is the Defaulting Party (as defined in the relevant Swap Agreement or Repurchase Agreement) thereunder and the relevant event of default relates to the insolvency of the Issuer; 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 7.1(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.

A copy of any such Acceleration Notice shall be promptly given to the Holders by the Security Trustee in accordance with Condition 17.

## 7.2 Enforcement

Upon the occurrence of an Enforcement Event in respect of the relevant series of Secured Securities and the relevant Collateral Pool, the Security Trustee may, and if so requested in writing by Holders of at least one-fifth of the outstanding nominal amount of the Secured Securities of such series, or if so directed by an Extraordinary Resolution of such Holders (such request or direction an "**Enforcement Notice**"), shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction) enforce the relevant Pledges in accordance with the Pledge Agreements and enforce the Security Interests granted under the Security Agreements and, unless Physical Delivery of Collateral is specified as applicable in the applicable Final Terms, realise the Collateral Assets in the relevant Collateral Pool (and may appoint one or more agents to assist it to do so). Where it is not possible for the Security Trustee to sell the relevant Collateral Assets in full in respect of a series of Secured Securities within a period of two years from the date on which it is instructed to realise the Collateral Assets, the Security Trustee shall have no obligation to take further action in connection with such Collateral Assets other than informing the relevant Holders in accordance with Condition 17 of the failure to sell the relevant Collateral Assets and unless and until the Security Trustee receives further written directions from the Holders of at least one-fifth of the outstanding nominal amount of the Secured Securities of such series, or as so directed by an Extraordinary Resolution of such Holders, and subject, in each case, to the Security Trustee being indemnified and/or secured and/or pre-funded to its satisfaction. The Security Trustee shall have no liability for failure to take further action in respect of the Collateral Assets absent such instructions and indemnification. Where it is only possible for the Security Trustee to sell part of the relevant Collateral Assets in respect of a series of Secured Securities within a period of two years from the date on which it is instructed to realise the Collateral Assets, the Security Trustee shall apply the sale proceeds it has received in accordance with these Collateral Security Conditions and shall deal with any unsold Collateral Assets in accordance with the preceding sentences.

All calculations to be performed or determinations to be made following the occurrence of an Enforcement Event shall be performed or determined by the Collateral Calculation Agent and confirmed in writing to the Security Trustee. In connection with the enforcement of the Pledges, where Physical Delivery of Collateral is not applicable and after the realisation and liquidation in full of all the Collateral Assets in a Collateral Pool, the Collateral Calculation Agent shall determine the Security Termination Amount in respect of each Secured Security and shall notify such amount to the Security Trustee and the Security Trustee shall notify the Holders of the Security Termination Amount following such realisation and liquidation upon confirmation of these amounts by the Collateral Calculation Agent. Where the Secured Securities become due and payable at their Security Termination Amount in accordance with Collateral Security Condition 7.1, no amounts other than the relevant Security Termination Amount will be payable in respect of each Secured Security.

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 or to any Collateral Assets other than the Specified Reference Collateral Assets identified as such in the applicable Final Terms relating to the series of Secured Securities of which it is a Holder and any Credit Support Assets or Replacement Collateral Assets relating to such series of Secured Securities.

The Security Trustee (and any agent appointed by the Security Trustee) will, in the absence of its own gross negligence, fraud and wilful default, have no liability as to the consequence of any enforcement or realisation action and will have no regard to the effect of such action on individual Holders or the other Secured Parties.

## 7.3 Application and distribution of proceeds of enforcement

The Security Trustee shall apply all Collateral Enforcement Proceeds or the Collateral Assets (where Physical Delivery of Collateral is applicable) in accordance with the applicable Priority of Payments. Following payment of all amounts which are payable in priority to Holders in accordance with, and in the order set out in,

the applicable Priority of Payments (including, without limitation, amounts due to the Security Trustee and/or any agent appointed by it to assist in the enforcement of the Security Interests and realisation and/or delivery of the Collateral Assets, including any Enforcement Expenses),

- (a) where Physical Delivery of Collateral is not applicable, the remaining proceeds from the realisation of the Specified Reference Collateral Assets in the Collateral Pool relating to the relevant series of Secured Securities and other Charged Assets relating to such series of Secured Securities will be applied in accordance with the applicable Priority of Payments in meeting the claims of Holders under the relevant series of Secured Securities which are secured by the relevant Collateral Pool on a pari passu basis within the relevant series of Secured Securities where each Secured Security's share of such proceeds shall be determined by the Collateral Calculation Agent and confirmed to the Security Trustee on the basis of such Secured Security's Collateral Proceeds Share; or
- (b) where Physical Delivery of Collateral is applicable, the remaining Specified Reference Collateral Assets will be applied in accordance with the applicable Priority of Payments in meeting the delivery claims of Holders under the relevant series of Secured Securities which are secured by the relevant Collateral Pool on a pari passu basis within the relevant series of Secured Securities where each Secured Security's share of such Specified Reference Collateral Assets shall be determined by the Collateral Calculation Agent on the basis of such Secured Security's Delivery Share, and the remaining proceeds from any sale of Collateral Assets and realisation of the other Charged Assets relating to the relevant series of Secured Securities (together, the "**Available Delivery Cash Proceeds**") will be applied in payment to each Holder of the Security Delivery Cash Amount and any Rounding Amount due to the relevant Holder.

#### 7.4 Shortfall

In the event that,

- (a) following the application of the Collateral Enforcement Proceeds in accordance with Collateral Security Condition 7.3(a), the amount paid to a Holder in respect of a Secured Security held by him (a "**Cash Security Realised Amount**") is less than the Security Termination Amount determined by the Collateral Calculation Agent and confirmed to the Security Trustee with respect to such Secured Security (the difference between the Cash Security Realised Amount and such amount so paid 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 or to any Reference Collateral Assets other than the Specified Reference Collateral Assets identified as such in the applicable Final Terms relating to the series of Secured Securities of which it is a Holder and any Credit Support Assets or Replacement Collateral Assets relating to such series of Secured Securities; or
- (b) where Physical Delivery of Collateral is applicable following the delivery of the remaining Specified Reference Collateral Assets and payment of the Available Delivery Cash Proceeds in accordance with Collateral Security Condition 7.3(b), the amount paid or deemed to have been paid to a Holder in respect of a Secured Security held by him (a "**Physical Security Realised Amount**" and, together with the Cash Security Realised Amount, the "**Security Realised Amount**") is less than the sum of the Security Termination Amount and the Calculated Security Termination Amount determined by the Collateral Calculation Agent and confirmed to the Security Trustee with respect to such Secured Security (the difference between the Security Realised Amount and such amount so paid or deemed to be paid 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 or to any Reference Collateral Assets other than the Specified

Reference Collateral Assets identified as such in the applicable Final Terms relating to the series of Secured Securities of which it is a Holder and any Credit Support Assets and/or Replacement Collateral Assets relating to such series of Secured Securities.

#### 7.5 Physical Delivery of Collateral Assets

Where "Physical Delivery of Collateral" is specified in the applicable Final Terms, following enforcement of the Pledge(s), the Security Trustee, will arrange for delivery of the Specified Reference Collateral Assets in a Collateral Pool to each Holder of a Secured Security secured by the relevant Collateral Pool relating to the relevant series of Secured Securities in a nominal amount equal to the Delivery Share applicable to such Secured Security on a pari passu basis within the relevant series of Secured Securities and shall effect the sale of any Credit Support Assets. After the sale of any Credit Support Assets and/or Replacement Collateral Assets, the delivery of the relevant Delivery Shares in respect of the Secured Securities and payment of any Rounding Amount and Security Delivery Cash 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 and the Security Delivery Cash Amount) so delivered (or paid, as the case may be) may be less than the nominal value of the relevant Secured Security.

Prior to determining the Delivery Share in respect of each Secured Security, the Collateral Calculation Agent shall determine the cash amount which is equal to the sum of the Credit Support Sale Proceeds and the Additional Proceeds Amount and whether such cash sum is sufficient to satisfy any applicable Priority Amounts in full and shall confirm such figures to the Security Trustee. If such sum is not sufficient to satisfy the applicable Priority Amounts in full, the Collateral Calculation Agent shall then calculate the amount of Specified Reference Collateral Assets which are required to be sold in order to pay any Priority Amounts after the application of such Credit Support Sale Proceeds and Additional Proceeds Amount to pay such Priority Amount and shall confirm such amount to the Security Trustee and the Security Trustee shall arrange for the sale of the relevant amount of Specified Reference Collateral Assets to meet any unsatisfied Priority Amounts and any proceeds from such sale remaining after payment of such Priority Amounts shall be the "**Residual Proceeds Amount**" and shall be paid in accordance with this Collateral Security Condition 7.5.

For the purposes of the Collateral Calculation Agent calculating the Security Termination Amount in respect of each Secured Security, where the Security Trustee has used any Credit Support Sale Proceeds and Additional Proceeds Amount prior to any sale of Specified Reference Collateral Assets, it shall be deemed to have first used such Additional Proceeds Amount to pay the relevant Priority Amounts (and such Additional Proceeds Amount shall be reduced accordingly by the amount of such payment) and then, to the extent necessary, the Credit Support Sale Proceeds shall be deemed to have been used to pay the outstanding relevant Priority Amounts (and such Credit Support Sale Proceeds shall be reduced accordingly by the amount of such payment). In connection with any such delivery in respect of Securities, such delivery shall be made in accordance with Condition 4(b)(i) and the Entitlement shall be deemed to be a Security's Delivery Share, as determined by the Collateral Calculation Agent and confirmed in writing to the Security Trustee. The Security Trustee shall be entitled to appoint one or more agent to assist it with the delivery of the Entitlement and sale of Collateral Assets required to be made in accordance with this Collateral Security Condition 7.5. The Security Trustee shall notify the Collateral Delivery Date in respect of a series of Secured Securities to the relevant Holders in accordance with Condition 17.

In connection with such delivery, (i) Condition 4(b)(i)(E) shall not apply, (ii) for the purposes of Condition 4(b)(i)(C), 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 7.5, (iii) the Security Trustee shall be entitled to deduct from the assets deliverable to Holders all Expenses not previously deducted from amounts paid or assets delivered to Holders, as the Security Trustee shall in its sole and absolute discretion determine are attributable to the relevant Secured Securities and (iv) any reference in the Security Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Collateral Assets in accordance with this Collateral Security Condition 7.5, to be a reference to "Collateral Assets".

The final sentence of the first paragraph of Condition 4(b)(i)(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 Security Trustee (or such other agent as may be appointed by the Security Trustee for such purpose) and a pro rata share of the resulting amount (the "**Rounding Amount**") shall be paid to each Holder whose Entitlement is subject to such rounding.

Where Physical Delivery of Collateral is applicable to a series of Secured Securities upon delivery of the relevant Specified Reference Collateral Assets and payment of the relevant Security Termination Amount, no further amount will be due to the Holders of such Secured Securities. In connection with the delivery of Specified Reference Collateral Assets for the relevant series of Secured Securities, the Collateral Calculation Agent shall determine the Security Termination Amount and the Calculated Security Termination Amount in respect of each Secured Security and shall notify such amounts to the Security Trustee who shall notify the Holders of such amounts following such delivery or, where applicable, payment of relevant amounts due in accordance with this Collateral Security Condition 7.

## 7.6 Settlement Disruption

If, in the opinion of the Security Trustee (or such other agent as may be appointed by the Security Trustee for such purpose), 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 Security Trustee (or such agent) has determined, is not practicable by reason of a Collateral Settlement Disruption Event 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 Security Trustee (or such agent) may elect in its sole discretion and without liability to any party 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 Security Trustee (or such 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 the Collateral Settlement Disruption Period, then in lieu of physical settlement and notwithstanding any other provision hereof, the Security Trustee (or such agent on its behalf) shall sell or realise the Undeliverable Collateral Assets, provided that the provisions of Collateral Security Condition 7.2 shall apply in the event that it is not possible for the Security Trustee to sell the relevant Undeliverable Collateral Assets within a period of two years. The Security Trustee shall give notice as soon as practicable to the Holders in accordance with Condition 17 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 Security Trustee (or any agent on its behalf).

#### 7.7 Enforcement by Holders

No Holder shall be entitled to enforce the Security Interests or to proceed directly against the Issuer to enforce the other provisions of the Security Agreements unless the Security Trustee, having become bound so to enforce or to proceed, fails so to do within a reasonable time and such failure is continuing or the Security Trustee is prevented from doing so by any court order.

#### 7.8 Redemption

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. 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 Security Trustee (or its 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.

#### 7.9 Collateral Calculation Agent Replacement

Following the occurrence of an Enforcement Event, if either: (i) the Collateral Calculation Agent fails to make the applicable calculations and determinations specified in these Collateral Security Conditions or fails to notify the Security Trustee of the results of such calculations and determinations within 15 Business Days of a request from the Security Trustee (or any agent acting on its behalf) to make such calculations and determinations or (ii) the Collateral Calculation Agent has notified to the Security Trustee that it is unable to perform the calculations or other duties required of it by these Collateral Security Conditions, the Security Trustee may and shall, if instructed to do so in accordance with Collateral Security Condition 7.2 and indemnified and/or secured and/or pre-funded to its satisfaction, terminate the appointment of the Collateral Calculation Agent and appoint one or more successor Collateral Calculation Agent.

#### 7.10 Disposal Agent

Upon the occurrence of an Enforcement Event, the Security Trustee may and shall, if instructed to do so in accordance with Collateral Security Condition 7.2 and indemnified and/or secured and/or pre-funded to its satisfaction, appoint and instruct a disposal agent to effect a liquidation and realisation of the relevant Collateral Assets, (where Physical Delivery of Collateral is specified as applicable) to effect delivery of the Specified Reference Collateral Assets to each Holder of a Secured Security, to sell or realise any Undeliverable Collateral Assets or to undertake any other action contemplated as being performed by the Security Trustee in these Collateral Security Conditions.

### 8. **Redemption**

The following amendments shall be made to Condition 5:

(a) Condition 5.1 to 5.5 (inclusive) shall be deleted in their entirety and shall be replaced with the following:

"5.1 **Final Redemption**

Unless previously redeemed or purchased and cancelled as provided below and provided no Enforcement Event has occurred, each Note will be redeemed by the Issuer at its relevant Final Redemption Amount on the Maturity Date specified in the applicable Final Terms or, if the Notes are Physical Delivery Notes by delivery of the Entitlement (as provided in Condition 4(b) above) or (in the case of a Credit Security) at the relevant amount and/or by delivery as specified in the Credit Security Conditions provided that if Deferral of Payments is specified as applicable in the applicable Final Terms, upon the occurrence of a Payment Deferment Event, each Note shall be finally redeemed on the Final Deferred Payment Date by payment of the Final Redemption Amount if no Early Redemption Event results from such Payment Deferment Event or where as a consequence of the failure of the relevant RCA Reference Entity (whose default gave rise to the Payment Deferment Event) to cure the relevant Payment Deferment Event within the grace period applicable thereto, the Issuer delivers an Early Redemption Notice in respect of the relevant RCA Reference Entity, each Note shall be redeemed in accordance with Collateral Security Condition 5 and no interest shall accrue in respect of the period from the Scheduled Maturity Date to the date on which the Notes are finally redeemed. This Note may not be redeemed other than in accordance with these Conditions. If the Notes are Italian Dematerialised Notes, the relevant Issuer shall on the Maturity Date pay or cause to be paid the Final Redemption Amount by credit or transfer to the Holder's account at Monte Titoli for value on the Maturity Date.

The "Final Redemption Amount", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Final Payout, in each case as specified in the applicable Final Terms,

Provided That, (i) if the Notes are Dual Currency Redemption Notes, the product of the above formula will be converted into the Settlement Currency as provided in Condition 5.12 below and (ii) if the product of the Final Payout is zero, no amount shall be payable on final redemption of the Note.

The "Entitlement" shall be the quantity of the Relevant Asset(s) equal to the Entitlement Amount specified in the applicable Final Terms or (in the case of a Credit Security) the relevant obligations and/or other assets as specified in the Credit Security Conditions.

## 5.2 **Redemption for Taxation Reasons**

The provisions of this Condition 5.2 shall not apply in the case of Notes if Condition 6.3 is specified as applicable in the applicable Final Terms.

(a) If the Issuer would, as a result of any change in, or in the official interpretation or administration of, any laws or regulations of the Netherlands 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, Linked Interest Notes, or Dual Currency Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, Linked Interest Notes or Dual Currency Interest Notes) on giving not more than 45 nor less than 30 days' notice to the Noteholders (in accordance with Condition 17) which notice shall be irrevocable, redeem all, but not some only, of the Notes at their Early Redemption Amount 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) If the Issuer would, on the next due date for payment of any amount in respect of the Notes, be prevented by Dutch law 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, Linked Interest Notes or Dual Currency Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, Linked Interest Notes or Dual Currency Interest Notes) redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount upon giving not less than 7 nor more than 45 days' prior notice to the Noteholders (in accordance with Condition 17), 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.

### 5.3 Redemption at the Option of the Issuer (Issuer Call Option)

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, provided that no Enforcement Event has occurred and having given 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 Noteholders in accordance with Condition 17, (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding at the Optional Redemption Amount on any Optional Redemption Date specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any partial redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. The "**Optional Redemption Amount**", in respect of each nominal amount of Notes equal to the Calculation Amount, shall be an amount calculated by the Calculation Agent equal to:

- (i) Calculation Amount x the percentage or (ii) the Call Payout, as specified in the applicable Final Terms,

Provided That if the product of the Call Payout is zero, no amount shall be payable on redemption of such Note.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and (iii) in the case of Italian Dematerialised Notes, be governed by the standard procedures of Monte Titoli. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal

amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes.

#### 5.4 Redemption at the Option of the Noteholders (Noteholder Put Option)

If Noteholder Put Option is specified in the applicable Final Terms, upon a Noteholder giving to the Issuer in accordance with Condition 17 not less than the minimum notice period nor more than the maximum notice period specified in the applicable Final Terms (the "**Notice Period**") notice the Issuer will, upon the expiry of such notice and provided that 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 Note at the Optional Redemption Amount on the Optional Redemption Date specified in the applicable Final Terms, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. The "**Optional Redemption Amount**" shall be an amount calculated by the Calculation Agent equal to:

(i) Calculation Amount x the percentage or (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Note.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must deliver at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying 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 the Registrar or any Paying Agent (a "**Put Notice**") and in which the Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition, accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control in accordance with the Note Agency Agreement. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg or the CMU, to exercise the right to require redemption of this Note the relevant Noteholder must, within the Notice Period, give notice to the Registrar or Paying Agent or the CMU Lodging Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or the CMU (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or the CMU Lodging Agent or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or the CMU from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. If this Note is an Italian Dematerialised Note held through Monte Titoli to exercise the right to require redemption of the Note the Holder of the Note must, within the Notice Period, give notice to the Italian Agent of such exercise in accordance with the standard procedures of Monte Titoli in a form acceptable to Monte Titoli.

Any Put Notice given by a Noteholder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 8.

#### 5.5 Early Redemption

For the purposes of Condition 5.2 above, and any circumstances where the Notes are to be redeemed prior to their Maturity Date at their Early Redemption Amount provided that no Enforcement Event has occurred, each Note will be redeemed in accordance with the Collateral Security Conditions as if (a) an Annex Early Redemption Event had been specified as an applicable Early Redemption Event in respect of the relevant series of Notes and (b) that such Early Redemption Event had occurred.

All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Receipts presented therewith) and accordingly may not be re-issued or resold."

(c) Conditions 5.8 shall be deleted in its entirety and shall be replaced with the following:

#### "5.8 Instalments

Each Note in definitive form which is redeemable in instalments will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms provided no Enforcement Event has occurred. All instalments (other than the final instalment) will be paid by surrender of, in the case of a definitive Bearer Note, the relevant Receipt (which must be presented with the Note to which it appertains) and, in the case of a definitive Registered Note, the relevant Note and issue of a new Note in the nominal amount remaining outstanding, all as more fully described in Condition 4."

### **9. Removal, Indemnification and Liability of the Security Trustee**

The Security Trust Deed contains provisions for the appointment, retirement and removal of the Security Trustee. The Issuer shall as soon as practicable after the appointment of a new trustee notify the Holders of such appointment in accordance with Collateral Security Condition 9.

The Security Trust Deed contains provisions for the indemnification of the Security Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Collateral Assets or for the value, validity, sufficiency and enforceability (which the Security Trustee has not investigated) of the security created over the Collateral Assets. The Security Trustee is not obliged to take any action under the Security Trust Deed, the Securities, these Collateral Security Conditions or otherwise unless indemnified and/or secured and/or pre-funded to its satisfaction. The Security Trustee will not be liable to any party for any act or omission in connection with its role under or for the purposes of the Security Trust Deed or these Collateral Security Conditions in the absence of its own gross negligence, wilful default or fraud. The Security Trustee and any affiliate is entitled to enter into business transactions with the Issuer, the Guarantor, any issuer or guarantor (where applicable) of any of the Collateral Assets, any party other than the Issuer under a Related Agreement (including, without limitation, the Swap Counterparty), or any of their subsidiary, holding or associated companies without accounting to the Holders for profit resulting therefrom.

The Security Trustee is exempted from liability with respect to any loss or theft or reduction in value (as appropriate) of the Collateral Assets from any obligation to insure or to procure the insuring of the Collateral Assets (or any documents evidencing, constituting or representing the same or transferring any rights or obligations thereunder) and from any claim arising from the fact that the Collateral Assets are held in an

account with a clearing agent in accordance with that relevant clearing agent's rules or otherwise held in safe custody by the Collateral Custodian or any custodian whether or not selected by the Security Trustee (in each case, if applicable). The Security Trustee is not responsible for supervising the performance by (i) the Issuer of its own obligations and (ii) any other person of their obligations to the Issuer.

For the purposes of this Collateral Security Condition 9, each of the Issuer and the Guarantor expressly accepts and confirms, for the purposes of articles 1278 and 1281 of the Luxembourg civil code, that notwithstanding any assignment, transfer and/or novation permitted under and made in accordance with the provisions of the Security Trust Deed or any agreement referred to therein to which the Issuer and the Guarantor are party, any security created or guarantee given under the Security Trust Deed shall be reserved for the benefit of the new trustee (for itself and for the benefit of each other Secured Party).

#### 10. **Residual Shortfall**

Without prejudice to the rights of a Holder under the Guarantee, if the net proceeds of the enforcement of the Security Interests created pursuant to the Security Trust Deed, the Pledge Agreement and/or any Additional Security Document or Alternative Security Document in respect of the Charged Assets following payment of all prior ranking amounts (the "**Net Proceeds**") are not sufficient to make all payments due in respect of such Securities, then:

- (i) the obligations of the Issuer in respect of such Securities will be limited to such Net Proceeds and neither the Security Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall have any claim in respect of any asset of the Issuer not forming part of the Charged Assets and
- (ii) the Issuer will not be obliged to make any further payment in excess of the Net Proceeds and any Holder's right to receive any further sums in respect of any Residual Shortfall shall be extinguished in full, and neither the Security Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall be entitled to take any further steps against the Issuer or the Security Trustee to recover any such Residual Shortfall.

No Holder or other Secured Party nor any party to the Security Trust Deed shall be entitled to petition or take any other step for the winding-up of the Issuer (including, without limitation, the opening of any bankruptcy, insolvency, voluntary or judicial liquidation, composition with creditors, fraudulent conveyance, general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or appoint an examiner in respect of the Issuer (including, without limitation, the appointment of any receiver (except any receiver appointed by the Security Trustee pursuant to the Security Trust Deed) or liquidator). Failure by the Issuer to make any payment in respect of any Residual Shortfall shall in no circumstances constitute an Event of Default under Collateral Security Condition 7.

In this Condition, "Residual Shortfall" means the difference, if any, between the Net Proceeds and the aggregate amount which would have been due under the Securities but for the operation of this Collateral Security Condition 10.

#### 11. **Taxation**

The following amendments shall be made to Condition 6:

- (a) Condition 6.1 shall be deleted in its entirety and shall be replaced with the following:

"6.1 Notes issued by BNPP B.V.

Subject to Condition 6.3, in the case of Notes issued by BNPP B.V., all payments in respect of such Notes, Receipts and Coupons shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or

deduction is required by law. In the event that any amounts are required to be deducted or withheld for, or on behalf of, any Tax Jurisdiction, the Issuer to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder, Receiptholder or Couponholder, after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable provided that no such additional amount shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his being connected with the Netherlands (in the case of payments by BNPP B.V.) or France (in the case of payments by the Guarantor) other than by the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4(a)); or
- (c) where such withholding is made pursuant to the law of 23 December 2005, as amended.

In these Terms and Conditions:

- (z) **Tax Jurisdiction** means France or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by BNPP as Guarantor) 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
- (aa) the **Relevant Date** means the date on which the relevant payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17."

- (b) Condition 6.3 shall be deleted in its entirety and shall be replaced with the following:

"6.3 No Gross-up

If Condition 6.3 is specified as applicable in the applicable Final Terms, the Issuer shall be not liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted."

## 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.

## INDEX OF DEFINED TERMS

"**2.5-year Limitation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**10-Year Limitation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**30/360**", "**360/360**" or "**Bond Basis**" is as defined in Condition 3.13.

"**30E/360 (ISDA)**" is as defined in Condition 3.13.

"**30E/360**" or "**Eurobond Basis**" is as defined in Condition 3.13(g).

"**A**" is as defined in Condition 9.2(e), Payout Condition 2.1(j), Payout Condition 2.1(l), Payout Condition 2.2(h), 2.2(i), Share Security Condition 4.2(e), ETI Security Condition 6.2(b) and Part A, Condition 13 of the Credit Security Conditions.

"**AC Digital Coupon Barrier Level Down**" is as defined in Payout Condition 2.5(a).

"**AC Digital Coupon Barrier Level Up**" is as defined in Payout Condition 2.5(a).

"**AC Digital Coupon Condition**" is as defined in Payout Condition 2.5(a).

"**AC Digital Day**" is as defined in Payout Condition 2.5(a).

"**Accelerated or Matured**" is as defined in the Credit Security Conditions, Part A, Condition 13 .

"**Account Information Cut-off Date**" is as defined in Condition 4(c).

"**Accrual Period**" is as defined in Condition 3.13(a)(i).

"**Actual/360**" is as defined in Condition 3.13(e).

"**Actual/365 (Fixed)**" is as defined in Condition 3.13(c).

"**Actual/365 (Sterling)**" is as defined in Condition 3.13(d).

"**Actual/Actual (ICMA)**" is as defined in Condition 3.13(a).

"**Actual/Actual (ISDA)**" or "**Actual/Actual**" is as defined in Condition 3.13.

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

"**Additional Business Centre**" is as defined in Condition 3.13.

"**Additional Credit Linked Note Disruption Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Additional Disruption Event**" is as defined in Condition 9.1.

"**Additional Final Payout**" is as defined in Payout Condition 2.12.

"**Additional Final Payout Weighting**" is as defined in Payout Condition 2.12.

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

"**Additional LPN**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Additional Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Additional Provisions**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Additional Switch Coupon Amount**" is as defined in Condition 3.10.

"**Additional Switch Coupon Payment Date**" is as defined in Condition 3.10.

"**Adjustment**" is as defined in ETI Security Condition 6.2(a) and Fund Security Condition 4.2(a).

"**Adjustment Amount**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Additional Coupon**" is as defined in Payout Condition 2.5(a).

"**ADR**" is as defined in Share Security Condition 8.

"**AER Athena up Rate**" is as defined in Payout Condition 2.3(b).

"**AER Calculation Period**" is as defined in Payout Condition 2.3(b).

"**AER CSN Rate**" is as defined in Payout Condition 2.3(b).

"**AER Day Count Fraction**" is as defined in Payout Condition 2.3(b).

"**AER Event 1 Underlying(s)**" is as defined in Condition 12.2.

"**AER Event 2 Underlying(s)**" is as defined in Condition 12.2.

"**AER Exit Rate**" is as defined in Payout Condition 2.3(b).

"**AER Rate**" is as defined in Condition 12 and Payout Condition 2.3(b).

"**AER Redemption Percentage**" is as defined in Payout Condition 2.3(b).

"**AER Reference Rate**" is as defined in Payout Condition 2.3(b).

"**Affected Basket Company**" is as defined in Share Security Condition 4.2(e).

"**Affected Commodity**" is as defined in Commodity Security Condition 3(b).

"**Affected Component Security**" is as defined in Condition 13 under the definition of Strike Date.

"**Affected Custom Index**" is as defined in Index Security Condition 6.2(b)(i), Index Security Condition 6.2(b)(ii)(A), Index Security Condition 6.2(c)(i) and Index Security Condition 6.2(c)(ii)(A).

"**Affected Entity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Affected ETI**" is as defined in ETI Security Condition 6.2(b).

"**Affected ETI Interest**" is as defined in ETI Security Condition 6.2(b).

"**Affected Exchange-traded Contract**" is as defined in Debt Security Condition 9(b).

"**Affected Index Component**" is as defined in Commodity Security Condition 3(b).

"**Affected Item**" is as defined in Commodity Security Condition 1 and in Condition 13(a)(ii).

"**Affected Payment Date**" is as defined in Condition 4(a).

"**Affected Reference Entity**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Affected Relevant Assets**" is as defined in Condition 4(b)(i)(F).

"**Affected Share**" is as defined in Condition 9.2(e) and Share Security Condition 4.2(e).

"**Affiliate**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Agents**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Aggregate Incurred Recovery Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Aggregate Loss Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Aggregate Recovery Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Aggregate Credit Unwind Costs**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Alternate Cash Redemption Amount**" is as defined in Condition 4(b)(iii).

"**Amortised Face Amount**" is as defined in Condition 5.5(c).

"**Asset**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Asset Market Value**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Asset Package**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Asset Package Credit Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Asset Package Delivery**" is as defined in the Credit Security Conditions, Part A, Condition 8.

"**Asset Transfer Notice**" is as defined in Condition 4(b)(i)(A)(X).

"**Assignable Loan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Attachment Point**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Cancellation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Covered Transaction**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Currency Rate**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Auction Date**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Auction Final Price**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Final Price Determination Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Methodology**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Auction Settlement Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Settlement Amount Notice**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Auction Settlement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**AUM Level**" is as defined in Fund Security Condition 1.

"**Automatic Coupon Switch Event**" is as defined in Condition 3.10.

"**Automatic Coupon Switch Level**" is as defined in Condition 3.10.

"**Automatic Early Redemption Amount**" is as defined in Condition 12.2.

"**Automatic Early Redemption Date**" is as defined in Condition 12.2.

"**Automatic Early Redemption Event**" is as defined in Condition 12.2.

"**Automatic Early Redemption Level**" is as defined in Condition 12.2.

"**Automatic Early Redemption Percentage**" is as defined in Condition 12.2.

"**Automatic Early Redemption Valuation Date**" is as defined in Condition 12.2.

"**Automatic Early Redemption Valuation Period**" is as defined in Condition 12.2.

"**Automatic Early Redemption Valuation Time**" is as defined in Condition 12.2.

"**Automatic Payout Switch Event**" is as defined in Condition 5.11.

"**Automatic Payout Switch Level**" is as defined in Condition 5.11.

"**Average Basket Value**" is as defined in Payout Condition 2.9(b).

"**Average Best Value**" is as defined in Payout Condition 2.9(b).

"**Average Rainbow Value**" is as defined in Payout Condition 2.9(b).

"**Average Underlying Reference TOM Value**" is as defined in Payout Condition 2.9(a).

"**Average Underlying Reference Value**" is as defined in Payout Condition 2.9(a).

"**Average Worst Value**" is as defined in Payout Condition 2.9(b).

"**Averaging Date**" is as defined in Currency Security Condition 1, Index Security Condition 8, in Condition 13 and in Fund Security Condition 1.

"**B**" is as defined in Payout Condition 2.2(h) and 2.2(i), Credit Security Conditions, Part A, Condition 13, Share Security Condition 4.2 and ETI Security Condition 6.2.

"**Banking Day**" is as defined in Index Security Condition 8.

"**Bankruptcy**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Barrier Condition**" is as defined in Payout Condition 2.5(a).

"**Barrier Level**" is as defined in Payout Condition 2.5(a).

"**Barrier Percentage Strike Price**" is as defined in Payout Condition 2.12.

"**Barrier Value**" is as defined in Payout Condition 2.1(g).

"**Base Level**" is as defined in Inflation Index Security Condition 2(b).

"**Basket Company**" is as defined in Condition 9.2(e), Share Security Condition 1, Share Security Condition 4.2(e) and Commodity Security Condition 1.

"**Basket of Commodities**" is as defined in Commodity Security Condition 1.

"**Basket of Custom Indices**" is as defined in Index Security Condition 8.

"**Basket of Futures**" is as defined in Futures Security Condition 1.

"**Basket of Indices**" is as defined in Index Security Condition 1.

"**Basket of Shares**" is as defined in Share Security Condition 1.

"**Basket of Underlying References**" is as defined in Condition 12.2.

"**Basket Price 1**" is as defined in Condition 12.2.

"**Basket Price 2**" is as defined in Condition 12.2.

"**Basket Trigger Event**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Basket Trigger Level**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Basket Value**" is as defined in Payout Condition 2.6(c).

"**Bearer Global Note**" is as defined in Condition 1.2(f).

"**Bearer Notes**" is as defined in Condition 1.1.

"**Best Intraday Value**" is as defined in Payout Condition 2.6(c).

"**Best Value**" is as defined in Payout Condition 2.6(c).

"**BestLockValue<sub>(t)</sub>**" is as defined in Payout Condition 2.2(d)(iii).

"**Best-Performing Underlying Reference Closing Value<sub>(t)</sub>**" is as defined in Payout Condition 2.4(b).

"**BNP Paribas Group**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**BNPP**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**BNPP B.V.**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**BNPP Guarantor**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**BNPP Note Guarantee**" is as defined in Terms and Conditions of the Notes, paragraph 7.

"**BNPPF**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**BNPPF Guarantor**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**BNPPF Note Guarantee**" is as defined in Terms and Conditions of the Notes, paragraph 7.

"**Bond**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Bond or Loan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Bonus Coupon**" is as defined in Payout Condition 2.12.

"**Bonus Percentage**" is as defined in Payout Condition 2.12.

"**Borrowed Money**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**BP2F**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Business Day**" is as defined in Condition 3.13.

"**C**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Calculated Additional Disruption Amount**" is as defined in Condition 9.2(c).

"**Calculated Additional Disruption Amount Determination Date**" is as defined in Condition 9.2(c).

"**Calculated Contract Adjustment Amount**" is as defined in Index Security Condition 9.2(b) and in Debt Security Conditions 7(b) and 9(a)(ii).

"**Calculated Contract Adjustment Amount Determination Date**" is as defined in Index Security Condition 9.2, (b) and in Debt Security Conditions 7(b) and 9(a)(ii)

"**Calculated Currency Disruption Amount**" is as defined in Currency Security Condition 3(b)(ii).

"**Calculated Currency Disruption Amount Determination Date**" is as defined in Currency Security Condition 3(b)(ii).

"**Calculated Custom Index Adjustment Event Amount**" is as defined in Index Security Condition 6.2(a)(ii)(D)II, Index Security Condition 6.2(b)(ii)(D)II and Index Security Condition 6.2(c)(ii)(D)II.

"**Calculated Custom Index Adjustment Event Amount Determination Date**" is as defined in Index Security Condition 6.2(a)(ii)(D)II, Index Security Condition 6.2(b)(ii)(D)II and Index Security Condition 6.2(c)(ii)(D)II.

"**Calculated Extraordinary Event Amount**" is as defined in Share Security Condition 4.2(c)(ii).

"**Calculated Extraordinary Event Amount Determination Date**" is as defined in Share Security Condition 4.2(c)(ii).

"**Calculated Futures Adjustment Amount**" is as defined in Futures Security Condition 3.1(b)(ii).

"**Calculated Futures Adjustment Amount Determination Date**" is as defined in Futures Security Condition 3.1(b)(ii).

"**Calculated Index Adjustment Amount**" is as defined in Index Security Condition 3.2(c)(ii) and in Debt Security Condition 5(b).

"**Calculated Index Adjustment Amount Determination Date**" is as defined in Index Security Condition 3.2(c)(ii) and in Debt Security Condition 5(b).

"**Calculation Agent**" is as defined in Terms and Conditions of the Notes, paragraph 3 and Condition 3.2(c).

"**Calculation Date**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Calculation Period**" is as defined in Condition 3.13.

"**Call**" is as defined in Payout Condition 2.3(d).

"**Call Athena up Rate**" is as defined in Payout Condition 2.3(d).

"**Call Calculation Period**" is as defined in Payout Condition 2.3(d).

"**Call Cap Percentage**" is as defined in Payout Condition 2.3(d).

"**Call Constant Percentage**" is as defined in Payout Condition 2.3(d).

"**Call CSN Rate**" is as defined in Payout Condition 2.3(d).

"**Call Exit Rate**" is as defined in Payout Condition 2.3(d).

"**Call Floor Percentage**" is as defined in Payout Condition 2.3(d).

"**Call Gearing**" is as defined in Payout Condition 2.3(d).

"**Call Rate**" is as defined in Payout Condition 2.3(d).

"**Call Redemption Percentage**" is as defined in Payout Condition 2.3(d).

"**Call Reference Rate**" is as defined in Payout Condition 2.3(d).

"**Call Spread Percentage**" is as defined in Payout Condition 2.3(d).

"**Call Strike Percentage**" is as defined in Payout Condition 2.3(d).

"**Call Value**" is as defined in Payout Condition 2.3(d).

"**Cancellation Event**" is as defined in Condition 9.1.

"**Cap**" is as defined in Payout Condition 3.2.

"**Cap Percentage**" is as defined in Payout Condition 2.12.

"**Capital Ratio**" is as defined in the Credit Security Conditions, Part A, Condition 10.

"**Capped Reference Entity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Cash Dividend**" is as defined in Share Security Condition 6.

"**Cash Dividend Amount**" is as defined in Share Security Condition 6.

"**Cash Dividend Notice**" is as defined in Share Security Condition 6(b).

"**Cash Dividend Payment Date**" is as defined in Share Security Condition 6.

"**Cash Settled Notes**" is as defined in Condition 1.1.

"**Cash Settled Securities**" is as defined in Condition 1.1.

"**Cash Settlement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Change in Law**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Clearance System**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1, Futures Security Condition 1 and Debt Security Condition 11.

"**Clearance System Days**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1, Futures Security Condition 1 and Debt Security Condition 11.

"**Clearstream, Luxembourg**" is as defined in Terms and Conditions of the Notes, paragraph 6.

"**Closing Level**" is as defined in Index Security Condition 1 and Index Security Condition 8.

"**Closing Price**" is as defined in Share Security Condition 1 and ETI Security Condition 1.

"**CMU**" is as defined in Condition 1.2(f).

"**CMU Instrument Position Report**" is as defined in Condition 1.2(f).

"**CMU Lodging Agent**" is as defined in Condition 1.2(f).

"**CMU Manual**" is as defined in Condition 1.2(f).

"**CMU Member**" is as defined in Condition 1.2(f).

"**CMU operator**" is as defined in Condition 1.1.

"**CMU Rules**" is as defined in Condition 1.2(f).

"**CMU Service**" is as defined in Condition 1.2(f).

"**CNY**" is as defined in Condition 4(a)(I).

"**CNY Governmental Authority**" is as defined in Condition 4(a)(I).

"**CNY Illiquidity Event**" is as defined in Condition 4(a)(I)(C).

"**CNY Inconvertibility Event**" is as defined in Condition 4(a)(I)(A).

"**CNY Non- Transferability Event**" is as defined in Condition 4(a)(I)(B).

"**CNY Payment Disruption Cut-off Date**" is as defined in Condition 4(a)(I)(i).

"**CNY Payment Disruption Event**" is as defined in Condition 4(a)(I).

"**CNY Settlement Centre**" is as defined in Condition 4(a)(I).

"**Coco Provision**" is as defined in the Credit Security Conditions, Part A, Condition 10.

"**CoCo Supplement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Code**" is as defined in Condition 4(a).

"**Combination Credit Securities**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Commodity**" is as defined in Commodity Security Condition 1 and Condition 3(b).

"**Commodity Business Day**" is as defined in Commodity Security Condition 1.

"**Commodity Disrupted Day**" is as defined in Commodity Security Condition 1.

"**Commodity Exchange Act**" is as defined in Condition 1.2(f).

"**Commodity Fallback Value**" is as defined in Commodity Security Condition 1.

"**Commodity Index**" is as defined in Commodity Security Condition 1.

"**Commodity Index Adjustment Event**" is as defined in Commodity Security Condition 4(b).

"**Commodity Index Cancellation**" is as defined in Commodity Security Condition 4(b).

"**Commodity Index Disruption**" is as defined in Commodity Security Condition 4(b).

"**Commodity Index Modification**" is as defined in Commodity Security Condition 4(b).

"**Commodity Reference Price**" is as defined in Commodity Security Condition 1.

"**Commodity Securities**" is as defined in Condition 1.1.

"**Commodity Security Conditions**" is as defined in Annex 6, paragraph 1.

"**Component Security**" is as defined in Index Security Condition 1.

"**Component Security Index**" is as defined in Index Security Condition 1.

"**Composite Index**" is as defined in Index Security Condition 1.

"**Conditionally Transferable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Conditions to Settlement**" is as defined in the Auction Settlement Terms Annex, Part A, Condition 8.4 and Part C, Condition 8.4.

"**Conforming Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Consent Required Loan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Constant A**" is as defined in Payout Condition 3.2.

"**Constant B**" is as defined in Payout Condition 3.2.

"**Constant Percentage**" is as defined in Payout Condition 2.5(a)

"**Constant Percentage 1**" is as defined in Payout Condition 2.12.

"**Constant Percentage 2**" is as defined in Payout Condition 2.12.

"**Constant Percentage 3**" is as defined in Payout Condition 2.12.

"**Constant Percentage 4**" is as defined in Payout Condition 2.12.

"**Conversion Event**" is as defined in Share Security Condition 8.

"**Coupon Airbag Percentage**" is as defined in Payout Condition 2.12.

"**Coupon Airbag Percentage 1**" is as defined in Payout Condition 2.12.

"**Coupon Airbag Percentage 2**" is as defined in Payout Condition 2.12.

"**Coupon Cap**" is as defined in Payout Condition 3.5.

"**Coupon Percentage 1**" is as defined in Payout Condition 3.2.

"**Coupon Percentage 2**" is as defined in Payout Condition 3.2.

"**Coupon Switch**" is as defined in Condition 3.10.

"**Coupon Switch Date**" is as defined in Condition 3.10.

"**Coupon Value**" is as defined in Payout Condition 2.5(a).

"**Coupon Weighting**" is as defined in Payout Condition 2.5(a).

"**Couponholders**" is as defined in Terms and Conditions of the Notes, paragraph 5.

"**Coupons**" is as defined in Condition 1.1.

"**Credit Derivatives Auction Settlement Terms**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Derivatives Definitions**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Derivatives Determinations Committee**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Credit Event**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Credit Event Backstop Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Event Cash Settlement Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Event Determination Date**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Credit Event Notice**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Credit Event Resolution Request Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Event Settlement Amount**" is as defined in the Credit Security Part B, Condition 6.

"**Credit Event Valuation Date**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Credit Event Valuation Period**" is as defined in the Auction Settlement Terms Annex, Part A, Condition 8.6.

"**Credit Event Valuation Period End Date**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Credit Securities**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Security Business Day**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Credit Security Conditions**" is as defined in Annex 12, paragraph 1.

"**Credit Security Dealer**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Cumulative Coupon**" is as defined in Condition 12.2.

"**Cumulative Inflation Rate**" is as defined in Payout Condition 3.5.

"**Currency Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Currency Event**" is as defined in Condition 9.1.

"**Currency Rate**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Currency Rate Source**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Currency Securities**" is as defined in Condition 1.1.

"**Currency Security Conditions**" is as defined in Annex 8, paragraph 1.

"**Current Exchange-traded Contract**" is as defined in Index Security Condition 9.1 and in Debt Security Condition 6.

"**Current FX Memory Coupon Interest Period**" is as defined in Payout Condition 3.1(f).

"**Current Interest Period**" is as defined in Condition 12.2.

"**Custom Index**" is as defined in Index Security Condition 8.

"**Custom Index Adjustment Event**" is as defined in Index Security Condition 6.2.

"**Custom Index Business Day**" is as defined in Index Security Condition 8.

"**Custom Index Business Day (All Indices Basis)**" is as defined in Index Security Condition 8.

"**Custom Index Business Day (Per Index Basis)**" is as defined in Index Security Condition 8.

"**Custom Index Business Day (Single Index Basis)**" is as defined in Index Security Condition 8.

"**Custom Index Cancellation**" is as defined in Index Security Condition 6.2.

"**Custom Index Correction Period**" is as defined in Index Security Condition 8.

"**Custom Index Disruption Event**" is as defined in Index Security Condition 6.2.

"**Custom Index Modification**" is as defined in Index Security Condition 6.2.

"**Custom Index Trading Day**" is as defined in Index Security Condition 8.

"**Custom Indices**" is as defined in Index Security Condition 8.

"**Cut-Off Date**" is as defined in Inflation Index Security Condition 1 and Condition 4(b)(i)(A).

"**Daily Settlement Price**" is as defined in Debt Security Condition 6.

"**Day Count Fraction**" is as defined in Condition 3.13.

"**DC Announcement Coverage Cut-off Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC Barrier Value**" is as defined in Payout Condition 2.5(a).

"**DC Credit Event Announcement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC Credit Event Meeting Announcement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC Credit Event Question**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC Credit Event Question Dismissal**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC No Credit Event Announcement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC Resolution**" is as defined in the Collateral Security Conditions, Part A, Condition and in the Credit Security Conditions, Part B, Condition 6.

"**DC Resolution Reversal Cut-off Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**DC Secretary**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Debt Instrument Correction Period**" is as defined in Debt Security Condition 11.

"**Debt Instrument Issuer**" is as defined in Debt Security Condition 11.

"**Debt Instrument Redemption Event**" is as defined in Debt Security Condition 5.

"**Debt Securities**" is as defined in Note 1.1.

"**Debt Security Conditions**" is as defined in Annex 5, paragraph 1.

"**Deed of Covenant**" is as defined in Terms and Conditions of the Notes, paragraph 6.

"**Deed Poll**" is as defined in Condition 20.2.

"**Deemed Interest Reduction**" is as defined in the Credit Security Conditions Part A, Condition 13.

"**Default Requirement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Delayed Date**" is as defined in Condition 4(a).

"**Delayed Index Level Event**" is as defined in Inflation Index Security Condition 1.

"**Delayed Payment Cut-off Date**" is as defined in Fund Security Condition 1.

"**Delayed Payment Notice**" is as defined in Fund Security Condition 5.

"**De-Listing**" is as defined in Share Security Condition 4.1.

"**Deliver**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Deliverable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Deliverable Obligation Category"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Deliverable Obligation Characteristics"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Deliverable Obligation Provisions"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Deliverable Obligation Terms"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Delivery Agent"** is as defined in Condition 4(b)(i)(A)(X).

**"Delivery Date"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Commodity Security Condition 1 and Condition 4(b)(i)(C).

**"Deposit"** is as defined in the Credit Security Conditions, Part B, Condition 6.

**"Designated Account"** is as defined in Condition 4(a).

**"Designated Bank"** is as defined in Condition 4(a).

**"Designated Maturity"** is as defined in Underlying Interest Rate Security Condition 2.

**"Determination Date(s)"** is as defined in Condition 3.13.

**"Determination Period"** is as defined in Condition 3.13.

**"Digital Cap Percentage 1"** is as defined in Payout Condition 3.6.

**"Digital Cap Percentage 2"** is as defined in Payout Condition 3.6.

**"Digital Coupon Condition"** is as defined in Payout Condition 2.5(a).

**"Digital Floor Percentage 1"** is as defined in Payout Condition 3.6.

**"Digital Floor Percentage 2"** is as defined in Payout Condition 3.6.

**"Digital Plus Percentage 1"** is as defined in Payout Condition 3.6.

**"Digital Plus Percentage 2"** is as defined in Payout Condition 3.6.

**"Direct Loan Participation"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Disappearance of Commodity Reference Price"** is as defined in Commodity Security Condition 1.

**"Dispute"** is as defined in Condition 22.2.

**"Disrupted Amount"** is as defined in Condition 4(a)(II).

**"Disrupted Day"** is as defined in Index Security Conditions 1 and 8, in Share Security Condition 1, in ETI Security Condition 1, in Currency Security Condition 1, in Futures Security Condition 1 and in Debt Security Condition 11.

**"Disrupted Payment Date"** is as defined in Condition 4(a)(II).

**"Disruption Cash Redemption Amount"** is as defined in Condition 4(b)(i)(E).

**"Disruption Fallback"** is as defined in Commodity Security Condition 1 and Currency Security Condition 3.

**"Distributed Amount"** is as defined in Share Security Condition 6.

**"Distribution Compliance Period"** is as defined in Condition 1.2(f).

**"Distributor"** is as defined in the Credit Security Conditions, Part B, Condition 6.

**"Dividend Date"** is as defined in Share Security Condition 6.

**"Dividend Event"** is as defined in ETI Security Condition 1.

**"Dividend Expenses"** is as defined in Share Security Condition 6.

**"Documents"** is as defined in Condition 20.1(b)(ii).

**"Domestic Currency"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Domestic Law"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Down Call"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Call Spread"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Cap Percentage"** is as defined in Payout Condition 2.12.

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

**"Down Floor Percentage"** is as defined in Payout Condition 2.12.

**"Down Forward"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Put"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Put Spread"** is as defined in Payout Condition 2.2(f)(vi).

**"Down Strike Percentage"** is as defined in Payout Condition 2.12.

**"Downstream Affiliate"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Driver Percentage"** is as defined in Payout Condition 2.5(a).

**"Dual Currency Note"** is as defined in Condition 4(a).

**"Dual Exchange Rate"** is as defined in Currency Security Condition 1.

**"Dual Exchange Rate Event"** is as defined in Condition 4(c).

**"Due and Payable Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Early Closure"** is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1 and Futures Security Condition 1.

**"Early Redemption Amount"** is as defined in Condition 5.5.

**"EDS"** is as defined in Payout Condition 2.2(b) and 2.2(e)(i).

**"EDS Barrier Percentage"** is as defined in Payout Condition 2.12.

**"Eligible Information"** is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Eligible Transferee**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Entitlement**" is as defined in Condition 5.1.

"**Entitlement Amount**" is as defined in Payout Condition 2.4.

"**Entity**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Equivalent Amount**" is as defined in Condition 4(a)(I).

"**Equivalent Amount Settlement Currency**" is as defined in Condition 4(a)(I).

"**Equivalent Amount Settlement Price**" is as defined in Condition 4(a)(I).

"**Equivalent Amount Settlement Price Source**" is as defined in Condition 4(a)(I).

"**Equivalent Amount Settlement Valuation Time**" is as defined in Condition 4(a)(I).

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

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

"**ER Gearing**" is as defined in Payout Condition 2.3(b).

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

"**ER Value**" is as defined in Payout Condition 2.3(b).

"**Established Rate**" is as defined in Condition 7.2.

"**ETI**" is as defined in ETI Security Condition 1 and Condition 6.2(b).

"**ETI Basket**" is as defined in ETI Security Condition 1.

"**ETI Documents**" is as defined in ETI Security Condition 1.

"**ETI Interest Correction Period**" is as defined in ETI Security Condition 1.

"**ETI Interest(s)**" is as defined in ETI Security Condition 1 and Condition 6.2(b).

"**ETI Related Party**" is as defined in ETI Security Condition 1.

"**ETI Securities**" is as defined in Condition 1.1.

"**ETI Security Conditions**" is as defined in Annex 4, paragraph 1.

"**EURIBOR**" is as defined in Condition 3.4(a).

"**euro**" is as defined in Condition 7.2.

"**Euroclear France**" is as defined in Terms and Conditions of the Notes, paragraph 8.

"**Event Determination Date**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B Condition 6.

"**Events of Default**" is as defined in Condition 8.1(a) and Condition 8.1(b).

"**Excess Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Exchange**" is as defined in Index Security Condition 1 and Share Security Condition 1, ETI Security Condition 1, Commodity Security Condition 1 and Futures Security Condition 1.

"**Exchange Bonds or Loans**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Exchange Business Day (All ETI Interests Basis)**" is as defined in ETI Security Condition 1.

"**Exchange Business Day (All Futures Basis)**" is as defined in Futures Security Condition 1.

"**Exchange Business Day (All Indices Basis)**" is as defined in Index Security Condition 1.

"**Exchange Business Day (All Share Basis)**" is as defined in Share Security Condition 1.

"**Exchange Business Day (Per ETI Interest Basis)**" is as defined in ETI Security Condition 1.

"**Exchange Business Day (Per Future Basis)**" is as defined in Futures Security Condition 1.

"**Exchange Business Day (Per Index Basis)**" is as defined in Index Security Condition 1.

"**Exchange Business Day (Per Share Basis)**" is as defined in Share Security Condition 1.

"**Exchange Business Day (Single ETI Interest Basis)**" is as defined in ETI Security Condition 1.

"**Exchange Business Day (Single Future Basis)**" is as defined in Futures Security Condition 1.

"**Exchange Business Day (Single Index Basis)**" is as defined in Index Security Condition 1.

"**Exchange Business Day (Single Share Basis)**" is as defined in Share Security Condition 1.

"**Exchange Business Day**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1, Debt Security Condition 2 and Futures Security Condition 1.

"**Exchange Disruption**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1 and Futures Security Condition 1.

"**Exchange Notice**" is as defined in Condition 7.1(d).

"**Exchange-traded Contract**" is as defined in Index Security Condition 9.1 and in Debt Security Conditions 6 and 9.

"**Excluded Deliverable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Excluded Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Exempt Securities**" is as defined in Terms and Conditions of the Notes, paragraph 2.

"**Exercise Amount**" is as defined in the Credit Security Condition 11(a)(i) and the Credit Security Conditions, Part A, Condition 13.

"**Exercise Cut-off Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Exhaustion Point**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Expenses**" is as defined in Condition 4(b)(i)(C).

"**Extended Physical Settlement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Extended Redemption Date**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Extended Valuation Period**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Extension Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Extension Notice**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Extraordinary ETI Event**" is as defined in ETI Security Condition 4.

"**Extraordinary ETI Event Effective Date**" is as defined in ETI Security Condition 1.

"**Extraordinary ETI Event Notice**" is as defined in ETI Security Condition 6.1.

"**Extraordinary ETI Event Notification Date**" is as defined in ETI Security Condition 6.1.

"**Extraordinary Event**" is as defined in Share Security Condition 4.1.

"**Extraordinary Event Effective Date**" is as defined in Share Security Condition 1.

"**Extraordinary Fund Event**" is as defined in Fund Security Condition 2.

"**Extraordinary Fund Event Effective Date**" is as defined in Fund Security Condition 1.

"**Extraordinary Fund Event Notice**" is as defined in Fund Security Condition 4.1.

"**Extraordinary Fund Event Notification Date**" is as defined in Fund Security Condition 4.1.

"**Failure to Deliver due to Illiquidity**" is as defined in Condition 4(b)(i)(F).

"**Failure to Deliver Redemption Amount**" is as defined in Condition 4(b)(i)(F).

"**Failure to Pay**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Fallback Bond**" is as defined in Inflation Index Security Condition 1.

"**Fallback Settlement Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Fallback Settlement Method**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**FATCA withholding**" is as defined in Condition 6.2.

"**FBF Agreement**" is as defined in Condition 3.4(b).

"**FBF Rate**" is as defined in Condition 3.4(b).

"**FI Basket 1**" is as defined in Payout Condition 3.2.

"**FI Basket 2**" is as defined in Payout Condition 3.2.

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

"**FI DC Barrier Value**" is as defined in Payout Condition 3.2.

"**FI Digital Cap Condition**" is as defined in Payout Condition 3.6.

"**FI Digital Cap Level**" is as defined in Payout Condition 3.6.

"**FI Digital Coupon Condition**" is as defined in Payout Condition 3.2.

"**FI Digital Floor Condition**" is as defined in Payout Condition 3.6.

"**FI Digital Floor Level**" is as defined in Payout Condition 3.6.

"**FI Digital Plus Condition**" is as defined in Payout Condition 3.6.

"**FI Digital Plus Level**" is as defined in Payout Condition 3.6.

"**FI Digital Value**" is as defined in Payout Condition 3.6.

"**FI Interest Valuation Date**" is as defined in Payout Condition 3.2.

"**FI Lower Barrier Level**" is as defined in Payout Condition 3.2.

"**FI Lower Barrier Level 2**" is as defined in Payout Condition 3.2.

"**FI Rate**" is as defined in Payout Condition 3.2.

"**FI Rate A**" is as defined in Payout Condition 3.2.

"**FI Rate B**" is as defined in Payout Condition 3.2.

"**FI Redemption Valuation Date**" is as defined in Payout Condition 3.6.

"**FI Upper Barrier Level**" is as defined in Payout Condition 3.2.

"**FI Upper Barrier Level 2**" is as defined in Payout Condition 3.2.

"**FI Valuation Date**" is as defined in Payout Condition 3.6.

"**Final Calculation Date**" is as defined in ETI Security Condition 1.

"**Final Coupon Rate**" is as defined in Payout Condition 3.6.

"**Final Day Count Fraction**" is as defined in Payout Condition 3.6.

"**Final Interest Period**" is as defined in Payout Condition 3.6.

"**Final Interest Pricing Date**" is as defined in Commodity Security Condition 1.

"**Final Interest Rate**" is as defined in Payout Condition 3.5.

"**Final List**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Final List Publication Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Final Payout**" is as defined in Payout Condition 3.3 and Condition 2.2.

"**Final Price**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 3.

"**Final Price Calculation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Final Pricing Date**" is as defined in Commodity Security Condition 1.

"**Final Redemption Amount**" is as defined in Condition 5.1.

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

**"Final Redemption Condition 1"** is as defined in Payout Condition 2.12.

**"Final Redemption Condition 2"** is as defined in Payout Condition 2.12.

**"Final Redemption Condition Level"** is as defined in Payout Condition 2.5(a).

**"Final Redemption Condition Level 2"** is as defined in Payout Condition 2.5(a).

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

**"Final Settlement Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Final Settlement Price"** is as defined in Payout Condition 3.6.

**"First Entity"** is as defined in Condition 9.1.

**"First Obligation"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"First Ranking"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"First Ranking Interest"** is as defined in the Credit Security Conditions, Part A, Condition 13.

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

**"Fixed Cap"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Floating Rate"** is as defined in Condition 3.4(a) and Underlying Interest Rate Security Condition 2.

**"Floating Rate Option"** is as defined in Condition 3.4(a) and Underlying Interest Rate Security Condition 2.

**"Floor"** is as defined in Payout Condition 3.2 and Payout Condition 3.6.

**"Floor Percentage"** is as defined in Payout Condition 2.12.

**"Force Majeure Event"** is as defined in Condition 9.1.

**"Form of Auction Settlement Terms"** is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

**"Formula"** is as defined in Payout Condition 4.

**"Formula Constituent"** is as defined in Payout Condition 4.

**"Forward"** is as defined in Payout Condition 2.2(b), 2.2(e)(i)(C) and Payout Condition 2.2(e)(ii)(D).

**"FR Athena up Rate"** is as defined in Payout Condition 2.5(b).

**"FR Barrier Value"** is as defined in Payout Condition 2.12.

**"FR Barrier Value 2"** is as defined in Payout Condition 2.12.

**"FR Calculation Period"** is as defined in Payout Condition 2.5(b).

**"FR Cap Percentage"** is as defined in Payout Condition 2.5(b).

**"FR Constant Percentage"** is as defined in Payout Condition 2.5(b).

"**FR CSN Rate**" is as defined in Payout Condition 2.5(b).

"**FR Day Count Fraction**" is as defined in Payout Condition 2.5(b).

"**FR Exit Rate**" is as defined in Payout Condition 2.5(b).

"**FR Floor Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Gearing**" is as defined in Payout Condition 2.5(b).

"**FR Rate**" is as defined in Payout Condition 2.5(b).

"**FR Redemption Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Reference Rate**" is as defined in Payout Condition 2.5(b).

"**FR Spread**" is as defined in Payout Condition 2.5(b).

"**FR Strike Percentage**" is as defined in Payout Condition 2.5(b).

"**FR Value**" is as defined in Payout Condition 2.5(b).

"**freely tradable**" is as defined in Condition 4(b)(iii).

"**Full Quotation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Fully Transferable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Fund**" is as defined in Fund Security Condition 1 and Fund Security Condition 2.38(i).

"**Fund Basket**" is as defined in Fund Security Condition 1.

"**Fund Business Day**" is as defined in Fund Security Condition 1.

"**Fund Business Day (All Fund Shares Basis)**" is as defined in Fund Security Condition 1.

"**Fund Business Day (Per Fund Share Basis)**" is as defined in Fund Security Condition 1.

"**Fund Business Day (Single Fund Share Basis)**" is as defined in Fund Security Condition 1.

"**Fund Documents**" is as defined in Fund Security Condition 1.

"**Fund Securities**" is as defined in Condition 1.1.

"**Fund Security Conditions**" is as defined in Annex 9, paragraph 1.

"**Fund Service Provider**" is as defined in Fund Security Condition 1.

"**Fund Share(s)**" is as defined in Fund Security Condition 1 and Fund Security Condition 2.38(ii).

"**Fund Valuation Date**" is as defined in Fund Security Condition 1.

"**Further Subordinated Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Future**" is as defined in Futures Security Condition 1.

"**Futures**" is as defined in Futures Security Condition 1.

"**Futures Adjustment Event**" is as defined in Futures Security Condition 3.1.

"**Futures Contract**" is as defined in Commodity Security Condition 1.

"**Futures Correction Period**" is as defined in Futures Security Condition 1.

"**Futures De-Listing**" is as defined in Futures Security Condition 3.1.

"**Futures Modification**" is as defined in Futures Security Condition 3.1.

"**Futures or Options Exchange**" is as defined in Index Security Condition 9.1 and in Debt Security Condition 6.

"**Futures Replacement**" is as defined in Futures Security Condition 3.1.

"**Futures Rollover Date**" is as defined in Commodity Security Condition 1, Index Security Condition 9.1, and in Debt Security Condition 6.

"**Futures Rollover Period**" is as defined in Commodity Security Condition 1, in Index Security Condition 9.1, and in Debt Security Condition 6.

"**Futures Security Conditions**" is as defined in Annex 10, paragraph 1.

"**FX Averaging Date**" is as defined in Currency Security Condition 1.

"**FX Digital Level**" is as defined in Currency Security Condition 1.

"**FX Digital Observation Date**" is as defined in Currency Security Condition 1.

"**FX Disruption Event**" is as defined in Condition 4(c).

"**FX Disruption Notice**" is as defined in Condition 4(c).

"**FX Knock-in Level**" is as defined in Currency Security Condition 1.

"**FX Knock-out Level**" is as defined in Currency Security Condition 1.

"**FX Settlement Disruption Currency**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Cut-off Date**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Event**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Exchange Rate**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Expenses**" is as defined in Condition 4(a)(II).

"**FX Settlement Disruption Notice**" is as defined in Condition 4(a)(II).

"**FX Value**" is as defined in Payout Condition 2.6(a).

"**FX Weighting**" is as defined in Payout Condition 3.6.

"**FX<sub>(i)</sub>**" is as defined in Payout Condition 2.4(a), Payout Condition 2.4(b) and Payout Condition 2.4(c).

"**FX(k,i)**" is as defined in Payout Condition 2.4(d).

"**G**" is as defined in Payout Condition 3.6.

"**GDR**" is as defined in Share Security Condition 8.

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

"**Gear Up 1**" is as defined in Payout Condition 2.12.

"**Gear Up 2**" is as defined in Payout Condition 2.12.

"**Gearing**" is as defined in Payout Condition 2.12 and Payout Condition 3.6.

"**Gearing A**" is as defined in Payout Condition 3.6.

"**Gearing B**" is as defined in Payout Condition 3.6.

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

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

"**Global Cap A**" is as defined in Payout Condition 3.2.

"**Global Cap B**" is as defined in Payout Condition 3.2.

"**Global Floor A**" is as defined in Payout Condition 3.2.

"**Global Floor B**" is as defined in Payout Condition 3.2.

"**Global Floor Percentage**" is as defined in Payout Condition 2.12.

"**Global Margin**" is as defined in Payout Condition 3.2.

"**Global Note**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Government Authority**" is as defined in Condition 9.1.

"**Governmental Authority**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Governmental Intervention**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Grace Period**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Grace Period Business Day**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Grace Period Extension Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Greatest Basket Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Best Intraday Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Best Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Rainbow Value**" is as defined in Payout Condition 2.7(b).

"**Greatest Underlying Reference Intraday Value**" is as defined in Payout Condition 2.7(a).

"**Greatest Underlying Reference Value**" is as defined in Payout Condition 2.7(a).

**"Greatest Underlying Reference Value (Basket)"** is as defined in Payout Condition 2.7(b).

**"Greatest Worst Value"** is as defined in Payout Condition 2.7(b).

**"Guarantee"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Terms and Conditions of the Notes, paragraph 7.

**"Guarantees"** is as defined in Terms and Conditions of the Notes, paragraph 7.

**"Guarantor"** is as defined in Terms and Conditions of the Notes, paragraph 3.

**"Guarantors"** is as defined in Terms and Conditions of the Notes, paragraph 3.

**"Hedge"** is as defined in Condition 9.1.

**"Hedge Counterparty"** is as defined in the Credit Security Conditions, Part B, Condition 6.

**"Hedge Disruption Event"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Hedge Fund"** is as defined in Fund Security Condition 1.

**"Hedge Provider"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Hedge Transaction"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

**"Hedging Date"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Hedging Disruption"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Condition 9.1.

**"Hedging Shares"** is as defined in ETI Security Condition 1 and Condition 9.1.

**"HKMA"** is as defined in Condition 1.2(f).

**"Holders"** is as defined in Terms and Conditions of the Notes, paragraph 5.

**"Hong Kong"** is as defined in Condition 1.2(f).

**"Hybrid Securities"** is as defined in Condition 1.1.

**"Hypothetical Investor"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"i"** is as defined in Payout Condition 2.12.

**"Illiquidity"** is as defined in Share Security Condition 4.1.

**"Illiquidity Disruption"** is as defined in Currency Security Condition 1 and in Condition 4(c).

**"Implicit Portfolio Size"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Implied Embedded Option Value"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Implied Embedded Option Value Determination Date"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"impossibility"** is as defined in Condition 4(a)(I).

"**impossible**" is as defined in Condition 4(a)(I).

"**impractical**" is as defined in Condition 4(a)(I).

"**impracticality**" is as defined in Condition 4(a)(I).

"**Incontrovertibility Event**" is as defined in Condition 4(c).

"**Increased Cost of Hedging**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Condition 9.1.

"**Increased Cost of Stock Borrow**" is as defined in Condition 9.1.

"**Incurred Loss Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Incurred Recovery Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Index**" is as defined in Index Security Condition 1.

"**Index<sub>t</sub>**" is as defined in Payout Condition 2.6(a).

"**Index<sub>t-1</sub>**" is as defined in Payout Condition 2.6(a).

"**Index Adjustment Event**" is as defined in Index Security Condition 3.2.

"**Index Cancellation**" is as defined in Index Security Condition 3.2 and Inflation Index Security Condition 1.

"**Index Component**" is as defined in Commodity Security Condition 1 and Commodity Security Condition 3(b).

"**Index Component Disruption Event**" is as defined in Commodity Security Condition 1.

"**Index Correction Period**" is as defined in Index Security Condition 1.

"**Index Disruption**" is as defined in Index Security Condition 3.2.

"**Index Modification**" is as defined in Index Security Condition 3.2 and Inflation Index Security Condition 1.

"**Index Securities**" is as defined in Condition 1.1.

"**Index Security Conditions**" is as defined in Index Security Conditions, paragraph 1.

"**Index Sponsor**" is as defined in the Credit Security Conditions, Part A, Condition 13, in Index Security Condition 1, Index Security Condition 8 and Inflation Index Security Condition 1.

"**Indicative Quotation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Indices**" is as defined in Index Security Condition 1.

"**Inflation Index**" or "**Inflation Indices**" is as defined in Inflation Index Security Condition 1.

"**Inflation Index<sub>(base)</sub>**" is as defined in Payout Condition 3.6.

"**Inflation Index<sub>(i)</sub>**" is as defined in Payout Condition 3.6.

"**Inflation Index<sub>(i-1)</sub>**" is as defined in Payout Condition 3.6.

**"Inflation Index Securities"** is as defined in Condition 1.1..

**"Inflation Index Security Conditions"** is as defined in Annex 7, paragraph 1.

**"Inflation Rate"** is as defined in Payout Condition 3.6.

**"Initial Calculation Date"** is as defined in ETI Security Condition 1 and Fund Security Condition 1.

**"Initial Interest Pricing Date"** is as defined in Commodity Security Condition 1.

**"Initial Pricing Date"** is as defined in Commodity Security Condition 1.

**"Initial Settlement Price"** is as defined in Payout Condition 3.6.

**"Initial Stock Loan Rate"** is as defined in Condition 9.1.

**"Insolvency"** is as defined in Share Security Condition 4.1.

**"Insolvency Filing"** is as defined in Condition 9.1.

**"Interest"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Condition 6.2.

**"Interest Amount"** is as defined in Condition 3.2(c) and 3.3(c).

**"Interest Determination Date"** is as defined in Conditions 3.2(c) and 3.3(c).

**"Interest Period End Date"** is as defined in Condition 3.2(a).

**"Interest Period End Final Date"** is as defined in Condition 3.1 and Condition 3.2(a).

**"Interest Pricing Date"** is as defined in Commodity Security Condition 1.

**"Interest Shortfall Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Interest Shortfall Payment Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Interests"** is as defined in ETI Security Condition 1.

**"Intervening Period"** is as defined in Condition 4(b)(i)(D).

**"Intraday Level"** is as defined in Index Security Condition 1 and Index Security Condition 8.

**"Intraday Price"** is as defined in Share Security Condition 1, ETI Security Condition 1 and Commodity Security Condition 1.

**"Investment/AUM Level"** is as defined in ETI Security Condition 1.

**"ISDA"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6, Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex and Credit Security Conditions, Part A, Condition 8.6.

**"ISDA Definitions"** is as defined in Condition 3.4(a) and Underlying Interest Rate Security Condition 2.

**"ISDA Rate"** is as defined in Condition 3.4(a).

**"Issuer"** is as defined in Terms and Conditions of the Note, paragraph 3.

**"Issuer Account Information Notice"** is as defined in Condition 4(c).

**"Italian Agent"** is as defined in the Terms and Conditions of the Notes, paragraph 3.

**"Italian Dematerialised Notes"** is as defined in Condition 1.

**"Italian Listed Notes"** is as defined in Condition 13.

**"Italian Securities Reference Price"** is as defined in Share Security Condition 1.

**"j"** is as defined in Payout Condition 2.12.

**"Joint Potential Successor"** is as defined in the Credit Security Conditions, Part A, Condition 9.

**"Joint Relevant Obligation"** is as defined in the Credit Security Conditions, Part A, Condition 9.

**"Jurisdiction Event"** is as defined in Condition 9.1.

**"k"** is as defined in Payout Condition 2.12.

**"K"** is as defined in Payout Condition 2.12.

**"Knock-in Averaging Date"** is as defined in Currency Security Condition 1.

**"Knock-in Determination Day"** is as defined in Condition 11.7.

**"Knock-in Determination Period"** is as defined in Condition 11.7.

**"Knock-in Event"** is as defined in Condition 11.7.

**"Knock-in Level"** is as defined in Condition 11.7.

**"Knock-in Observation Date"** is as defined in Currency Security Condition 1.

**"Knock-in Observation Price Source"** is as defined in Condition 11.7.

**"Knock-in Period Beginning Date"** is as defined in Condition 11.7.

**"Knock-in Period Ending Date"** is as defined in Condition 11.7.

**"Knock-in Range Level"** is as defined in Condition 11.7.

**"Knock-in Valuation Time"** is as defined in Condition 11.7.

**"Knock-in Value"** is as defined in Condition 11.7.

**"Knock-out Averaging Date"** is as defined in Currency Security Condition 1.

**"Knock-out Determination Day"** is as defined in Condition 11.7.

**"Knock-out Determination Period"** is as defined in Condition 11.7.

**"Knock-out Event"** is as defined in Condition 11.7.

**"Knock-out Level"** is as defined in Condition 11.7.

**"Knock-out Observation Date"** is as defined in Currency Security Condition 1.

"**Knock-out Observation Price Source**" is as defined in Condition 11.7.

"**Knock-out Period Beginning Date**" is as defined in Condition 11.7.

"**Knock-out Period Ending Date**" is as defined in Condition 11.7.

"**Knock-out Range Level**" is as defined in Condition 11.7.

"**Knock-out Valuation Time**" is as defined in Condition 11.7.

"**Knock-out Value**" is as defined in Condition 11.7.

"**Largest Asset Package**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Latest Level**" is as defined in Inflation Index Security Condition 2(b).

"**Latest Permissible Physical Settlement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Legacy Reference Entity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Level**" is as defined in Condition 11.7.

"**LIBOR**" is as defined in Condition 3.4(a)(iii).

"**Limitation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Limit Price Event**" is as defined in the Commodity Security Conditions, Condition 1.

"**Linked Interest Notes**" is as defined in Condition 1.1.

"**Listed**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Listing Change**" is as defined in Share Security Condition 4.1.

"**Listing Suspension**" is as defined in Share Security Condition 4.1.

"**Loan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Local Cap**" is as defined in Payout Condition 3.2.

"**Local Cap Percentage**" is as defined in Payout Condition 2.12.

"**Local Currency**" is as defined in Condition 9.1.

"**Local Floor**" is as defined in Payout Condition 3.2.

"**Local Floor Percentage**" is as defined in Payout Condition 2.12.

"**London Business Day**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Loss Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Loss of Stock Borrow**" is as defined in ETI Security Condition 1 and Condition 9.1.

"**Loss Percentage**" is as defined in Payout Condition 2.12.

"**Loss Threshold Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Lowest Basket Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Best Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Rainbow Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Underlying Reference Intraday Value**" is as defined in Payout Condition 2.8(a).

"**Lowest Underlying Reference Value**" is as defined in Payout Condition 2.8(a).

"**Lowest Worst Intraday Value**" is as defined in Payout Condition 2.8(b).

"**Lowest Worst Value**" is as defined in Payout Condition 2.8(b).

"**LPN**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**LPN Issuer**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**LPN Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Luxembourg Business Day**" is as defined in Condition 3.6.

"**m**" is as defined in Payout Condition 2.12.

"**M**" is as defined in Payout Condition 2.12.

"**M(M)R Restructuring**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Market Disruption Event**" is as defined in Index Security Condition 2, Share Security Condition 2, ETI Security Condition 2, Debt Security Condition 3, Commodity Security Condition 2 and Futures Security Condition 2.

"**Material Change in Content**" is as defined in Commodity Security Condition 1.

"**Material Change in Formula**" is as defined in Commodity Security Condition 1.

"**Maximum Maturity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Maximum Stock Loan Rate**" is as defined in ETI Security Condition 1 and Condition 9.1.

"**Merger Event**" is as defined in the Credit Security Conditions, Part A, Condition 13, Share Security Condition 4.1, ETI Security Condition 1 and Fund Security Condition 1.

"**Merger Event Redemption Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**MID**" is as defined in Share Security Condition 4.1.

"**Min Coupon**" is as defined in Payout Condition 2.12.

"**Minimum Quotation Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Modified Eligible Transferee**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Modified Restructuring Maturity Limitation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Modified Value (k)**" is as defined in Payout Condition 2.2(k).

"**Modified Value(i,k)**" is as defined in Payout Condition 2.1(i).

"**Moody's**" is as defined in ETI Security Condition 4.25 and Fund Security Condition 2.38.

"**Monte Titoli**" is as defined in Condition 1.1.

"**Movement Option Cut-Off Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Multi-Exchange Index**" is as defined in Index Security Condition 1.

"**Multiple Holder Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Multiple Underlying Interest Rate**" is as defined in Payout Condition 3.6.

"**Multiple Underlying Interest Rate Gearing**" is as defined in Payout Condition 3.2.

"**Multiple Underlying Reference Rate**" is as defined in Payout Condition 3.2.

"**Multiple Underlying Reference Rate Value**" is as defined in Condition 12.2.

"**Mutual Fund**" is as defined in Fund Security Condition 1.

"**n**" is as defined in Payout Condition 3.1(d) and Payout Condition 2.1(e).

"**N**" is as defined in Payout Condition 2.1(e), Payout Condition 3.1(d) and the Credit Security Conditions, Part A, Condition 13.

"**NA**" is as defined in the Credit Security Conditions, Part B, Condition 6, Payout Condition 2.12 and Payout Condition 3.6.

"**Nationalisation**" is as defined in Share Security Condition 4.1.

"**NAV per Fund Share**" is as defined in Fund Security Condition 1.

"**NAV Trigger Event**" is as defined in Fund Security Condition 1.

"**NAV Trigger Percentage**" is as defined in Fund Security Condition 1.

"**NAV Trigger Period**" is as defined in Fund Security Condition 1.

"**Nearby Month**" is as defined in Commodity Security Condition 1.

"**nEDS**" is as defined in Payout Condition 2.2(b) and 2.2(e)(i).

"**nEnd days**" is as defined in Payout Condition 2.12.

"**Next Currency Fixing Time**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**nfixed**" is as defined in Payout Condition 2.5(a).

"**No Auction Announcement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non Recovered Loss**" is as defined in the Auction Settlement Terms Annex.

"**Non-Capped Reference Entity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non-Commencement or Discontinuance of the Exchange-traded Contract**" is as defined in Index Security Condition 9.1 and in Debt Security Condition 6.

"**Non-Conforming Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non-Conforming Substitute Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non-Financial Instrument**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non-Principal Protected Termination Amount**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Non-Standard Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non-Transferability Notice**" is as defined in Condition 4(c).

"**Non-Transferable Instrument**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**NOPS Amendment Notice**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**NOPS Cut-off Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**NOPS Effective Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Not Bearer**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Not Domestic Currency**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Not Domestic Issuance**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Not Domestic Law**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Not Sovereign Lender**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Not Subordinated**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Note Agency Agreement**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Noteholder**" is as defined in Condition 1.1.

"**Noteholder Account Information Notice**" is as defined in Condition 4(c).

"**Noteholders**" is as defined in Condition 1.1 and Terms and Conditions of the Notes, paragraph 5.

"**Noteholders of the relevant Series**" is as defined in Terms and Conditions of the Notes, paragraph 4.

"**Notes**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Notes of the relevant Series**" is as defined in Terms and Conditions of the Notes, paragraph 4.

"**Notice Delivery Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Notice Delivery Period**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Notice of Physical Settlement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Notice of Publicly Available Information**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Notice Period**" is as defined in Condition 5.3 and Condition 5.4.

"**Notional Credit Derivative Transaction**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**nStart days**" is as defined in Payout Condition 2.12.

"**Nth**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Number (k,i)**" is as defined in Payout Condition 2.4.

"**Number of NAV Publication Days**" is as defined in Fund Security Condition 1.

"**Number of Value Publication Days**" is as defined in ETI Security Condition 1.

"**Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Obligation Acceleration**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Obligation Category**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Obligation Characteristic**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Obligation Currency**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Obligation Default**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Observation Date**" is as defined in Index Security Condition 8, in Condition 13, in Currency Security Condition 1 and in Fund Security Condition 1.

"**Observation Period**" is as defined in Index Security Condition 8 and in Condition 13.

"**Observation Price Source**" is as defined in Condition 12.2.

"**Official Settlement Price**" is as defined in Index Security Condition 9.1.

"**Option**" is as defined in Payout Condition 3.3(a), Payout Condition 2.2(b)(i), Payout Condition 2.2(e)(i)(C) and Payout Condition 2.2(e)(ii)(D).

"**Option Up**" is as defined in Payout Condition 2.2(f)(vi) and 2.2(f)(vii).

"**Option Down**" is as defined in Payout Condition 2.2(f)(vi) and 2.2(f)(vii).

"**Optional Additional Disruption Event**" is as defined in Condition 9.1.

"**Optional Redemption Amount**" is as defined in Condition 5.3 and Condition 5.4.

"**Options Exchange**" is as defined in Share Security Condition 4.2(d) and ETI Security Condition 6.2(a)(ii).

"**Original Bonds**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Original Loans**" is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Original Non-Standard Reference Obligation"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Outstanding Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Outstanding Notional Amount"** or **"ONA"** is as defined in the Auction Settlement Terms Annex.

**"Outstanding Principal Balance"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Outstanding Principal Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Package Observable Bond"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Paid Coupon"** is as defined in Payout Condition 3.2.

**"Paid FX Memory Coupons"** is as defined in Payout Condition 3.1(f).

**"Parallel Auction"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Parallel Auction Cancellation Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Parallel Auction Final Price Determination Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Parallel Auction Settlement Terms"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Parallel Notice of Physical Settlement Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Partial Cash Settlement Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Partial Cash Settlement Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Participating Bidders"** is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

**"Paying Agents"** is as defined in Terms and Conditions of the Notes, paragraph 3.

**"Payment"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Payment Day"** is as defined in Condition 4(a).

**"Payment Disruption Event"** is as defined in Condition 4(a).

**"Payment Requirement"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

**"Payout Conditions"** is as defined in Annex 1.

**"Payout Currency"** is as defined in Payout Condition 2.12.

**"Payout FX Closing Price Value"** is as defined in Payout Condition 2.12.

**"Payout FX Strike Closing Price Value"** is as defined in Payout Condition 2.12.

**"Payout FX Rate Date"** is as defined in Payout Condition 2.12.

"**Payout FX Rate Strike Date**" is as defined in Payout Condition 2.12.

"**Payout FX Value**" is as defined in Payout Condition 2.12.

"**Payout Switch**" is as defined in Condition 5.11.

"**Performance**" is as defined in Payout Condition 2.6(b).

"**Performance Value**" is as defined in Payout Condition 3.6.

"**Permissible Deliverable Obligations**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Permitted Contingency**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Permitted Reorganisation**" is as defined in Condition 8.1(b).

"**Permitted Transfer**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Physical Delivery Note**" is as defined in Condition 1.1.

"**Physical Settlement Adjustment**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Physical Settlement Adjustment Rounding Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Physical Settlement Buy Request**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Physical Settlement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Physical Settlement Matrix**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Physical Settlement Period**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Physical Settlement Sell Request**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Physically Settled Securities**" is as defined in Condition 1.1.

"**Post Dismissal Additional Period**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Postponed DE Payment Date**" is as defined in Condition 4(c).

"**Postponed Settlement Date**" is as defined in Fund Security Condition 5.

"**Potential Adjustment Event**" is as defined in Share Security Condition 3 and ETI Security Condition 3.

"**Potential Adjustment Event Effective Date**" is as defined in Share Security Condition 3 and ETI Security Condition 3.

"**Potential Cash Settlement Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Potential Failure to Pay**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Potential Repudiation/Moratorium**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**PRDC Performance**" is as defined in Payout Condition 3.1(h).

"**Price Materiality Event**" is as defined in Condition 13.

"**Price Source**" is as defined in Commodity Security Condition 1 and Currency Security Condition 1.

"**Price Source Disruption**" is as defined in Commodity Security Condition 1 and Currency Security Condition 1.

"**Pricing Date**" is as defined in Commodity Security Condition 1.

"**principal**" is as defined in Condition 6.2.

"**Principal Paying Agent**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Principal Protected Termination Amount**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Prior Deliverable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Prior Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Private Equity Fund**" is as defined in Fund Security Condition 1.

"**Private-side Loan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Prohibited Action**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Prospectus Directive**" is as defined in Terms and Conditions of the Notes, paragraph 2.

"**Protected Amount**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Public Source**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Publicly Available Information**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Put**" is as defined in Payout Condition 2.2(b)(i)(B), in Payout Condition 2.2(e)(i)(C), in Payout Condition 2.2(e)(ii)(D), in Payout Condition 2.2(f)(vi) and in Payout Condition 2.2(f)(vii).

"**Put Athena up Rate**" is as defined in Payout Condition 2.3(f).

"**Put Calculation Period**" is as defined in Payout Condition 2.3(f).

"**Put Cap Percentage**" is as defined in Payout Condition 2.3(f).

"**Put Constant Percentage**" is as defined in Payout Condition 2.3(f).

"**Put CSN Rate**" is as defined in Payout Condition 2.3(f).

"**Put Exit Rate**" is as defined in Payout Condition 2.3(f).

"**Put Floor Percentage**" is as defined in Payout Condition 2.3(f).

"**Put Gearing**" is as defined in Payout Condition 2.3(f)2.3(e).

"**Put Notice**" is as defined in Condition 5.4.

"**Put Rate**" is as defined in Payout Condition 2.3(f).

"**Put Redemption Percentage**" is as defined in Payout Condition 2.3(f).

"**Put Reference Rate**" is as defined in Payout Condition 2.3(f).

"**Put Spread**" is as defined in Payout Condition 2.2(b)(i), in Payout Condition 2.2(e)(i)(C) and in Payout Condition 2.2(e)(ii)(D).

"**Put Spread Percentage**" is as defined in Payout Condition 2.3(f).

"**Put Strike Percentage**" is as defined in Payout Condition 2.3(f).

"**Put Value**" is as defined in Payout Condition 2.3(f).

"**PW**" is as defined in Payout Condition 2.2(h).

"**q**" is as defined in Payout Condition 2.12.

"**Q**" is as defined in Payout Condition 2.12.

"**Qualifying Affiliate Guarantee**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Qualifying Guarantee**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Qualifying Participation Seller**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Quantum of the Claim**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Quotation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Quotation Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Rainbow Value**" is as defined in Payout Condition 2.6(c).

"**Range Accrual Coupon Barrier Level Down**" is as defined in Payout Condition 3.2.

"**Range Accrual Coupon Barrier Level Up**" is as defined in Payout Condition 3.2.

"**Range Accrual Coupon Condition**" is as defined in Payout Condition 3.2.

"**Range Accrual Day**" is as defined in Payout Condition 3.2.

"**Range Cut-off Date**" is as defined in Payout Condition 3.2.

"**Range Period**" is as defined in Payout Condition 3.2.

"**Range Period End Date**" is as defined in Payout Condition 3.2.

"**Ranked Value**" is as defined in Payout Condition 2.6(c).

"**Ranking**" is as defined in Payout Condition 2.6(c).

"**Rate**" is as defined in Payout Condition 2.5(a) and Payout Condition 3.2.

"**Rebased Index**" is as defined in Inflation Index Security Condition 1 and Inflation Index Security Condition 4.5.

**"Receiptholders"** is as defined in Terms and Conditions of the Notes, paragraph 5.

**"Receipts"** is as defined in Condition 1.1.

**"Record Date"** is as defined in Condition 4(a).

**"Recovery Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Recovery Threshold Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Redeemed Notes"** is as defined in Condition 5.3.

**"Redemption Adjustment"** is as defined in the Auction Settlement Terms Annex.

**"Redemption Payout"** is as defined in Payout Condition 2.12.

**"Redemption Preliminary Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Redemption Proceeds"** is as defined in Fund Security Condition 5.

**"Redemption Residual Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Redenomination Date"** is as defined in Condition 7.2.

**"Reference Dealers"** is as defined in Commodity Security Condition 1.

**"Reference Entities"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Reference Entity"** is as defined in the Credit Security Conditions, Part A, Condition 13 and the Credit Security Conditions, Part B, Condition 6.

**"Reference Entity Notional Amount"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Reference Entity Weighting"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Reference Jurisdiction"** is as defined in Condition 4(c).

**"Reference Level"** is as defined in Inflation Index Security Condition 2(b).

**"Reference Month"** is as defined in Inflation Index Security Condition 1.

**"Reference Obligation"** is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

**"Reference Obligation Notional Amount"** or **"RONA"** is as defined in the Credit Security Conditions, Part B, Condition 6.

**"Reference Obligation Only Trade"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Reference Price"** is as defined in Debt Security Condition 11.

**"Register"** is as defined in Condition 1.1.

**"Registered Global Note"** is as defined in Condition 1.2(f).

**"Registered Notes"** is as defined in Condition 1.1.

"**Registrar**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Regulation S**" is as defined in Condition 1.2(f).

"**Related Bond**" is as defined in Inflation Index Security Condition 1.

"**Related Bond Redemption Event**" is as defined in Inflation Index Security Condition 1.

"**Related Exchange**" is as defined in Index Security Condition 1 and Share Security Condition 1 and ETI Security Condition 1.

"**Relative Performance Basket**" is as defined in Share Security Condition 1.

"**Relevant Adjustment Provisions**" is as defined in Condition 11.7 and Condition 12.2.

"**Relevant Annex**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Relevant Basket<sub>(i)</sub>**" is as defined in Payout Condition 2.2(d)(iii).

"**Relevant City Business Day**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Relevant CNY Amount**" is as defined in Condition 4(a).

"**Relevant Currency**" is as defined in Condition 4(a).

"**Relevant Date**" is as defined in the Credit Security Conditions, Part A , Condition 13.

"**Relevant Event**" is as defined in ETI Security Condition 4.20.

"**Relevant Guarantee**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Relevant Holder**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Relevant Issuer**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Relevant Level**" is as defined in Inflation Index Security Condition 1.

"**Relevant Obligations**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Relevant Pairing**" is as defined in the Annex to the Additional Terms and Conditions for Credit Securities - Auction Settlement Terms Annex.

"**Relevant Period**" is as defined in Share Security Condition 4.1.

"**Relevant Price**" is as defined in Commodity Security Condition 1.

"**Relevant Valuation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Replaced Deliverable Obligation Outstanding Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Replacement Deliverable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Replacement Reference Entity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Representative Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Repudiation/Moratorium"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Repudiation/Moratorium Evaluation Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Reset Date"** is as defined in Condition 3.4(a) and Underlying Interest Rate Security Condition 2.

**"Resettable Knock-in Period"** is as defined in Currency Security Condition 1;

**"Resettable Knock-out Period"** is as defined in Currency Security Condition 1;

**"Resettable Period"** is as defined in Currency Security Condition 1.

**"Resolve"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Restrike Performance"** is as defined in Payout Condition 2.6(b).

**"Restructuring"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Restructuring Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Restructuring Maturity Limitation Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Revised Currency Rate"** is as defined in the Credit Security Conditions, Part A, Condition 13

**"Rules"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"S&P"** is as defined in ETI Security Condition 4.25 and Fund Security Condition 2.38.

**"Scheduled Averaging Date"** is as defined in Condition 13(a)(iii)(C).

**"Scheduled Custom Index Business Day"** is as defined in Index Security Condition 8.

**"Scheduled Custom Index Business Day (All Indices Basis)"** is as defined in Index Security Condition 8.

**"Scheduled Custom Index Business Day (Per Index Basis)"** is as defined in Index Security Condition 8.

**"Scheduled Custom Index Business Day (Single Index Basis)"** is as defined in Index Security Condition 8.

**"Scheduled Payment Date"** is as defined in Condition 4(a).

**"Scheduled Pricing Date"** is as defined in Commodity Security Condition 1.

**"Scheduled Maturity Date"** is as defined in the Credit Security Conditions, Part A, Condition 13.

**"Scheduled Trading Day"** is as defined in Index Security Condition 1, in Share Security Condition 1, in ETI Security Condition 1, in Commodity Security Condition 1, in Currency Security Condition 1, in Futures Security Condition 1, in Fund Security Condition 1, and in Debt Security Condition 11.

**"Scheduled Trading Day (All ETI Interest Basis)"** is as defined in ETI Security Condition 1.

**"Scheduled Trading Day (All Futures Basis)"** is as defined in Futures Security Condition 1.

**"Scheduled Trading Day (All Indices Basis)"** is as defined in Index Security Condition 1.

**"Scheduled Trading Day (All Share Basis)"** is as defined in Share Security Condition 1.

"**Scheduled Trading Day (Per ETI Interest Basis)**" is as defined in ETI Security Condition 1.

"**Scheduled Trading Day (Per Future Basis)**" is as defined in Futures Security Condition 1.

"**Scheduled Trading Day (Per Index Basis)**" is as defined in Index Security Condition 1.

"**Scheduled Trading Day (Per Share Basis)**" is as defined in Share Security Condition 1.

"**Scheduled Trading Day (Single ETI Interest Basis)**" is as defined in ETI Security Condition 1.

"**Scheduled Trading Day (Single Future Basis)**" is as defined in Futures Security Condition 1.

"**Scheduled Trading Day (Single Index Basis)**" is as defined in Index Security Condition 1.

"**Scheduled Trading Day (Single Share Basis)**" is as defined in Share Security Condition 1.

"**Second Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Securities Act**" is as defined in Condition 1.2(f).

"**Security Value**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Selection Date**" is as defined in Condition 5.3.

"**Senior Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Senior Transaction**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Seniority Level**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Series**" is as defined in Terms and Conditions of the Notes, paragraph 4.

"**Settled Amount**" is as defined in Share Security Condition 4.2(b).

"**Settlement Business Day**" is as defined in Condition 4(b)(i)(E).

"**Settlement Currency**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Settlement Currency Exchange Rate**" is as defined in Condition 13.

"**Settlement Currency Exchange Rate Observation Date**" is as defined in Condition 13.

"**Settlement Cycle**" is as defined in Index Security Condition 1, in Share Security Condition 1, in ETI Security Condition 1, in Futures Security Condition 1 and in Debt Security Condition 11.

"**Settlement Disruption Event**" is as defined in Condition 4(b)(i)(E).

"**Settlement Method**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Settlement Price**" is as defined in Index Security Conditions 1, 8 and 9.1, in Share Security Condition 1, in ETI Security Condition 1, in Debt Security Conditions 1 and 6, in Commodity Security Condition 1, in Inflation Index Security Condition 1 and in Futures Security Condition 1.

"**Settlement Price Date**" is as defined in Index Security Condition 1, in Share Security Condition 1, in Currency Security Condition 1 and in Fund Security Condition 1.

"**Settlement Valuation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Share**" is as defined in Condition 9.2(e), Share Security Condition 1.

"**Share Company**" is as defined in Share Security Condition 1.

"**Share Correction Period**" is as defined in Share Security Condition 1.

"**Share Event**" is as defined in Share Security Condition 10.

"**Share Securities**" is as defined in Condition 1.1.

"**Share Security Conditions**" is as defined in Annex 3, paragraph 1.

"**Shares**" is as defined in Share Security Condition 1 and Share Security Condition 4.2(e).

"**Simple Interest**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Single Reference Entity Credit Security**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Snowball Barrier Value**" is as defined in Payout Condition 2.5(a).

"**Snowball Date**" is as defined in Payout Condition 2.5(a).

"**Snowball Digital Coupon Condition**" is as defined in Payout Condition 2.5(a).

"**Snowball Level**" is as defined in Payout Condition 2.5(a).

"**Solvency Capital Provisions**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Sovereign**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Sovereign No Asset Package Delivery Supplement**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Sovereign Restructured Deliverable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Sovereign Succession Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Specified Currency**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Specified Currency Amount**" is as defined in Condition 4(c).

"**Specified Exchange Rate**" is as defined in Condition 13.

"**Specified Maximum Days of Disruption**" is as defined in ETI Security Condition 1, Commodity Security Condition 1, Currency Security Condition 1, Index Security Condition 8 and Condition 13.

"**Specified Number**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Specified Price**" is as defined in Commodity Security Condition 1.

"**Spread**" is as defined in Payout Condition 2.5(a).

"**SPS ACS Valuation Date**" is as defined in Condition 3.10.

"**SPS ACS Valuation Period**" is as defined in Condition 3.10.

"**SPS ACS Value**" is as defined in Condition 3.10.

"**SPS AER Value 1**" is as defined in Condition 12.2.

"**SPS AER Value 2**" is as defined in Condition 12.2.

"**SPS APS Valuation Date**" is as defined in Condition 5.11.

"**SPS APS Valuation Period**" is as defined in Condition 5.11.

"**SPS APS Value**" is as defined in Condition 5.11.

"**SPS Call Valuation Date**" is as defined in Payout Condition 2.3(d).

"**SPS Call Valuation Period**" is as defined in Payout Condition 2.3(d).

"**SPS Coupon Valuation Date**" is as defined in Payout Condition 2.5(a).

"**SPS Coupon Valuation Period**" is as defined in Payout Condition 2.5(a).

"**SPS Date Weighting**" is as defined in Payout Condition 2.12.

"**SPS ER Valuation Date**" is as defined in Payout Condition 2.3(b).

"**SPS ER Valuation Period**" is as defined in Payout Condition 2.3(b).

"**SPS FR Barrier Valuation Date**" is as defined in Payout Condition 2.5(b).

"**SPS FR Barrier Valuation Period**" is as defined in Payout Condition 2.5(b).

"**SPS FR Valuation Date**" is as defined in Payout Condition 2.5(b).

"**SPS FR Valuation Period**" is as defined in Payout Condition 2.5(b).

"**SPS Redemption Valuation Date**" is as defined in Payout Condition 2.12.

"**SPS Redemption Valuation Period**" is as defined in Payout Condition 2.12.

"**SPS Valuation Date**" is as defined in Payout Condition 2.12.

"**SPS Valuation Period**" is as defined in Payout Condition 2.12.

"**SRO List**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Standard Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Standard Specified Currencies**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Steps Plan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Stop-Loss Event**" is as defined in Condition 9.1.

"**Strike Date**" is as defined in Index Security Condition 8, in Inflation Index Security Condition 1, in Currency Security Condition 1, in Condition 13 and in Fund Security Condition 1.

"**Strike Day**" is as defined in Currency Security Condition 1 and Condition 13.

"**Strike Percentage**" is as defined in Payout Condition 2.12.

"**Strike Period**" is as defined in Currency Security Condition 1 and Condition 13.

"**Strike Price**" is as defined in Index Security Condition 8.

"**Subordinated**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Subordinated Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Subordination**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Substitute**" is as defined in Condition 20.1(a) and Condition 20.2.

"**Substitute Asset**" or the "**Substitute Assets**" is as defined in Condition 4(b)(iii).

"**Substitute BNPP Guarantor**" is as defined in Condition 20.1(b).

"**Substitute BNPP Guarantee**" is as defined in Condition 20.1(b)(ii).

"**Substitute Commodity**" is as defined in Commodity Security Condition 3(b).

"**Substitute ETI Interest**" is as defined in ETI Security Condition 6.2(b).

"**Substitute Exchange-traded Contract**" is as defined in Debt Security Condition 9(b).

"**Substitute Index Component**" is as defined in Commodity Security Condition 3(b).

"**Substitute Inflation Index Level**" is as defined in Inflation Index Security Condition 1 and Inflation Index Security Condition 2.

"**Substitute Reference Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Substitute Reference Obligation Resolution Request Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Substitute Share**" is as defined in Condition 9.2(e) and Share Security Condition 4.2(e).

"**Substitution**" is as defined in ETI Security Condition 6.2(b) and Fund Security Condition 4.2(b).

"**Substitution Date**" is as defined in Share Security Condition 4.2, ETI Security Condition 6.2 Commodity Security Condition 3(b) and the Credit Security Conditions, Part A, Condition 13.

"**Substitution Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Substitution Event Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**sub-unit**" is as defined in Condition 3.1.

"**succeed**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Succession Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Succession Event**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Successor**" is as defined in the Credit Security Conditions, Part A, Condition 13 and Part B, Condition 6.

"**Successor Backstop Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Successor Commodity Index**" is as defined in Commodity Security Condition 4(a).

"**Successor Custom Index**" is as defined in Index Security Condition 6.1.

"**Successor Index**" is as defined in Index Security Condition 3.1 and Condition 9.2(d).

"**Successor Index Sponsor**" is as defined in Commodity Security Condition 4(a) and Index Security Condition 3.1.

"**Successor Inflation Index**" is as defined in Inflation Index Security Condition 1 and Condition 3.

"**Successor Provisions**" is as defined in the Credit Security Conditions, Part A, Condition 12.

"**Successor Resolution Request Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Surviving Reference Entity**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**T**" is as defined in Payout Condition 2.12.

"**Talonholders**" is as defined in Terms and Conditions of the Notes, paragraph 5.

"**Talons**" is as defined in Condition 1.1.

"**Target Coupon Percentage**" is as defined in Payout Condition 3.2.

"**Target Determination Date**" is as defined in Payout Condition 3.2.

"**Target Final Interest Period**" is as defined in Payout Condition 3.2.

"**TARGET Settlement Day**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**TARGET2 System**" is as defined in Condition 3.13(b).

"**Tax Disruption**" is as defined in Commodity Security Condition 1.

"**Tax Event**" is as defined in ETI Security Condition 4.18 and Fund Security Condition 2.26.

"**Tender Offer**" is as defined in Share Security Condition 4.1 ETI Security Condition 1 and Fund Security Condition 1.

"**Termination**" is as defined in ETI Security Condition 6.2(c) and Fund Security Condition 4.2(c).

"**Termination Amount**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Termination Date**" is as defined in ETI Security Condition 1 and Fund Security Condition 1.

"**Total M**" is as defined in Payout Condition 2.12.

"**Trade Date**" is as defined in the Credit Security Conditions, Part A, Condition 13 and ETI Security Condition 1 and Fund Security Condition 1.

"**Trading Disruption**" is as defined in Index Security Condition 1, Share Security Condition 1, ETI Security Condition 1, Commodity Security Condition 1 and Futures Security Condition 1.

"**Tranche**" is as defined in Terms and Conditions of the Notes, paragraph 4.

"**Tranche Size**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Tranched Credit Securities**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Transaction Auction Settlement Terms**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Transaction Type**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Transfer Agent**" is as defined in Terms and Conditions of the Notes paragraph 3.

"**Transfer Agents**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**Transferable**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Treaty**" is as defined in Condition 7.2.

"**Trigger Percentage**" is as defined in the Credit Security Conditions, Part A, Condition 10.

"**Undeliverable Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Underlying Finance Instrument**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Underlying Interest Determination Date**" is as defined in Underlying Interest Rate Security Condition 4.

"**Underlying Interest Rate Securities**" is as defined in Condition 1.1.

"**Underlying Interest Rate Security Conditions**" is as defined in Annex 11, paragraph 1.

"**Underlying ISDA Rate**" is as defined in Underlying Interest Rate Security Condition 2.

"**Underlying Loan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Underlying Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Underlying Obligor**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Underlying Reference**" is as defined in Condition 11.7, Condition 12.2, Payout Condition 2.12 and Payout Condition 3.6.

"**Underlying Reference(s)**" is as defined in Condition 1.1.

"**Underlying Reference 1**" is as defined in Payout Condition 3.6.

"**Underlying Reference 2**" is as defined in Payout Condition 3.6.

"**Underlying Reference Closing Price Value**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference Closing Price Value<sub>(k,i)</sub>**" is as defined in Payout Condition 2.4(d).

"**Underlying Reference Closing Value**" is as defined in Payout Condition 3.6.

"**Underlying Reference EndDay Closing Price Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference FX Hedged Value**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference FX Level**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference FX Strike Level**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference Intraday Price Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Intraday Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Level**" is as defined in Condition 12.2.

"**Underlying Reference Level 1**" is as defined in Condition 12.2.

"**Underlying Reference Level 2**" is as defined in Condition 12.2.

"**Underlying Reference Restrike Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference StartDay Closing Price Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Strike Price**" is as defined in Payout Condition 2.6(a).

"**Underlying Reference TOM Restrike Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference TOM Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Weighting**" is as defined in Payout Condition 2.12.

"**Underlying Shares**" is as defined in Share Security Condition 8.

"**Unscheduled Holiday**" is as defined in Condition 4(c).

"**Unsettled Credit Event**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Unsettled Retention Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Unwind Notice**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Up Call**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Call Spread**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Cap Percentage**" is as defined in Payout Condition 2.12.

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

"**Up Forward**" is as defined in Payout Condition 2.2(f)(vi).

"**Up Strike Percentage**" is as defined in Payout Condition 2.12.

"**U.S. Government Securities Business Day**" is as defined in Condition 3.2(j).

"**U.S. person**" is as defined in Condition 1.2(f).

"**Valid Date**" is as defined in Currency Security Condition 1, Index Security Condition 8 and Condition 13.

"**Valuation Date**" is as defined in the Credit Security Conditions, Part A, Condition 13, in Index Security Condition 8, in Inflation Index Security Condition 1, in Currency Security Condition 1, in Condition 13 and in Funds Security Condition 1.

"**Valuation Extension Condition**" is as defined in the Credit Security Conditions, Part B, Condition 6.

"**Valuation Obligation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Valuation Obligations Portfolio**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Valuation Time**" is as defined in the Credit Security Conditions, Part A, Condition 13, in ETI Security Condition 1, in Currency Security Condition 1, in Index Security Condition 8, in Condition 13 and in Fund Security Condition 1.

"**Value Business Day**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest Trading Price Barrier**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest Trading Price Differential**" is as defined in ETI Security Condition 1.

"**Value per ETI Interest Trigger Event**" is as defined in ETI Security Condition 1.

"**Value Trigger Percentage**" is as defined in ETI Security Condition 1.

"**Value Trigger Period**" is as defined in ETI Security Condition 1.

"**Vanilla Call Rate**" is as defined in Payout Condition 2.5(a).

"**Vanilla Call Spread Rate**" is as defined in Payout Condition 2.5(a).

"**Voting Shares**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**W**" is as defined in Payout Condition 3.6.

"**Weighted Average Basket Value**" is as defined in Payout Condition 2.10(b).

"**Weighted Average Best Value**" is as defined in Payout Condition 2.10(a).

"**Weighted Average Final Price**" is as defined in the Credit Security Conditions, Part A, Condition 12.

"**Weighted Average Quotation**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Weighted Average Rainbow Value**" is as defined in Payout Condition 2.10(b).

"**Weighted Average Underlying Reference Value**" is as defined in Payout Condition 2.10(a).

"**Weighted Average Worst Value**" is as defined in Payout Condition 2.10(b).

"**Worst Greatest Value**" is as defined in Payout Condition 2.7(b).

"**Worst Intraday Value**" is as defined in Payout Condition 2.6(c).

"**Worst Performing Underlying Reference Closing Value<sub>(i)</sub>**" is as defined in Payout Condition 2.4(a).

"**Worst Value**" is as defined in Payout Condition 2.6(c).

"**YoY Inflation Rate**" is as defined in Payout Condition 3.2.

## **USE OF PROCEEDS**

The net proceeds from each issue of Securities (other than Nominal Value Repack Securities) by BNPP B.V. will become part of the general funds of BNPP B.V. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.

The net proceeds from the issue of the Nominal Value Repack Securities will be used by BNPP B.V. to enter into and/or make payments under the Swap Agreement or other hedging instruments.

The net proceeds from each issue of Securities by BP2F will be applied by BP2F for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## DESCRIPTION OF BNPP INDICES

The Index Methodology governing each Index shall be available on <https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf> as soon as such Index is the Underlying Reference in respect of a product which is under the scope of the Prospectus Directive. The CInergy Code is specified as set out in the tables below.

**In any case and for all the indices the following part shall be included:**

The objective of each Index comprised in a Family Index is to provide synthetic exposure to the performance as the case may be appropriate of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index component types (the "**Index Components Types**") in accordance with the objective of the Index comprised in the category of indices as described below.

The following indices shall be Excess Return/Total Return, Price Return or Cash Less ("**Cash Kind**"). As a consequence, if the Index is an "Excess Return" index, the level of the index will reflect the performance of the strategy of the index above an applicable money market rate. If the Index is a "Total Return" index, the level of the index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be declared or/paid by underlying index components). If the Index is a "Price Return" index, the level of the index will reflect a value assuming no reinvestment of dividends or distributions (declared/paid by underlying index components). At last, if the Index is a "Cashless" index as it is constituted of components that require little or no cash to hedge in order to obtain the economic exposure and risk required by the index strategy, the level of the index will not take into account money market interest that would be ordinarily be payable when hedging the performance of an index which would require a cash investment equal to the value of the Index.

If any Index component (the "**Index Component**") of an Index ceases to exist or is, or would be, subject to an adjustment pursuant to the provisions of the Index rules in respect of that Index Component, the Index Calculation Agent may acting in good faith and in a commercially reasonable manner (a) effect no change to the Index, (b) adjust the Index as it deems appropriate including, but not limited to, replacing such Index Component with a replacement Index Component or the Index Calculation Agent and the Index Sponsor may continue to calculate and publish (as applicable) the Index without such Index Component or any replacement therefore, subject to the BNP Paribas Index proprietary methodology (the "**Index Methodology**"), or (c) terminate the Index. The aim of the Index Calculation Agent when making any such operational adjustments is to ensure that, so far as possible, the basic principles and economic effect of the Index are maintained.

Following the Index Start Date, the Index Calculation Agent shall review the composition of the Index and the Index weightings of the Index Components within the Index on an ongoing basis and in accordance with the Index Methodology comprised into the Index rules (the "**Rules**") governing the Index.

1. **GURU Indices**
2. **Thematic Mutual Fund Indices**
3. **Thematic Equity Indices**
4. **Fixed Exposure Indices**
5. **Risk Control Indices**
6. **Millenium Indices**
7. **Platinum Indices**

8. **Harbour Indices**
  9. **Flexinvest Indices**
  10. **Volatility Indices**
  11. **Buy Write Indices**
  12. **Alternative Strategy Indices**
  13. **Optimiser Indices**
  14. **Liberty Indices**
  15. **Alternative Synthetic Tracker Indices**
  16. **Daily Weekly Indices**
  17. **Commodity Indices**
1. GURU Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure ("Long") or positive and negative exposure ("Long /Short") to the performance of a notional basket of 'Equity' Index Components, that track the price movements of shares of companies selected through a BNP Paribas proprietary methodology
2	Description of the process of selecting components weighting factors	Components are selected following a process based on different potential indicators such as profitability of the business model, perspectives, valuation, price based.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the GURU Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
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Index Name	Currency	Long or Long/Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas GURU Europe Long TR EUR	EUR	Long	TR	Europe	70%	100%	32%	BNPGELTR	Solactive	GELMTR
BNP Paribas GURU Europe Long ER 10 EUR	EUR	Long	ER	Europe	0%	150%	10%	BNPGEL10	-	GEL10MAER
BNP Paribas GURU Europe Long ER 15 EUR	EUR	Long	ER	Europe	0%	150%	15%	BNPGEL15	-	GEL15MAER
BNP Paribas GURU Europe Long/Short TR EUR	EUR	Long/Short	TR	Europe	0%	100%	10%	BNPGELST	Solactive	GELSTMATR
BNP Paribas GURU Europe Long/Short ER EUR	EUR	Long/Short	ER	Europe	0%	100%	10%	BNPGELSE	Solactive	GELSEMAER
BNP Paribas GURU US Long TR USD	USD	Long	TR	US	70%	100%	32%	BNPGULTR	Solactive	GULMTR
BNP Paribas GURU US Long ER 10 USD	USD	Long	ER	US	0%	150%	10%	BNPGUL10	-	GUL10MAER
BNP Paribas GURU US Long ER 15 USD	USD	Long	ER	US	0%	150%	15%	BNPGUL15	-	GUL15MAER
BNP Paribas GURU US Long/Short TR USD	USD	Long/Short	TR	US	0%	100%	10%	BNPGULST	Solactive	GULSTMATR
BNP Paribas GURU US Long/Short ER USD	USD	Long/Short	ER	US	0%	100%	10%	BNPGULSE	Solactive	GULSEMAER
BNP Paribas GURU Asia ex Jp Long TR USD	USD	Long	TR	Asia	70%	100%	32%	BNPGALTR	Solactive	GAL2TR
BNP Paribas GURU Asia ex Jp ex India Long ER 15 USD	USD	Long	ER	Asia	0%	100%	15%	BNPIGA15	-	GAXI15ER
BNP Paribas GURU Asia ex Jp ex India Long ER 20 USD	USD	Long	ER	Asia	0%	100%	20%	BNPIGA20	-	GAXI20ER
BNP Paribas GURU Global Emerging Long TR USD	USD	Long	TR	Emerging Markets	70%	100%	32%	BNPIGEMT	Solactive	GEMTTR
BNP Paribas GURU Global Emerging Long ER 18 USD	USD	Long	ER	Emerging Markets	0%	100%	18%	BNPIGE18	-	GE18ER
BNP Paribas GURU World Developed Long TR USD	USD	Long	TR	World Developed	70%	100%	32%	BNPIGWDT	Solactive	GWDTTR
BNP Paribas GURU World Developed Long ER 10 USD	USD	Long	ER	World Developed	0%	100%	10%	BNPIGD10	-	GWD10ER

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas GURU World Developed Long ER 15 USD	USD	Long	ER	World Developed	0%	100%	15%	BNPIGD15	-	GWD15ER
BNP Paribas GURU All Country Long TR USD	USD	Long	TR	Worldwide	70%	100%	32%	BNPIGWAT	Solactive	GWATTR
BNP Paribas GURU All Country Long ER 10 USD	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGW10	-	GWA10ER
BNP Paribas GURU All Country Long ER 15 USD	USD	Long	ER	Worldwide	0%	100%	15%	BNPIGW15	-	GWA15ER
BNP Paribas Conviction Action Monde ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPICA WD	-	CAWDER
BNP Paribas Conviction Action Europe ER	EUR	Long	ER	Europe	0%	100%	10%	BNPICA EU	-	CAEUER
BNP Paribas GURU All Country volcap 10 ER EUR ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPIGWEE	-	GWEEER
GURU L/S volcap 7 TR EUR	EUR	Long/Short	TR	Europe+US	0%	100%	7%	BNPILSTR	Solactive	GLSTMATR
GURU L/S volcap 7 ER EUR	EUR	Long/short	ER	Europe+US	0%	100%	7%	BNPILSER	Solactive	GLSEM AER
GURU L/S volcap7 ER USD	USD	Long/short	ER	Europe+US	0%	100%	7%	BNPI50EU	-	GLSEU MAER
GURU L/S volcap7 TR USD	USD	Long/Short	TR	Europe+US	0%	100%	7%	BNPI50TU	-	GUGLSTR
GURU L/S volcap 7 ER HUF ER	HUF	Long/Short	ER	Europe+US	0%	100%	7%	BNPILSEH	-	GULSEHER
BNPP GURU Europe isovol 15 ER Net	EUR	Long	ER	Europe	0%	150%	15%	BNPIGE15	-	GE15MARKITER
BNPP GURU Europe isovol 10 ER Net	EUR	Long	ER	Europe	0%	150%	10%	BNPIGE10	-	GE10MARKITER
BNPP GURU US isovol 15 ER Net	EUR	Long	ER	US	0%	150%	15%	BNPIGU15	-	GU15ER
BNPP GURU US isovol 15 ER Net (RUB)	RUB	Long	ER	US	0%	150%	15%	BNPIGR15	-	GR15ER
Guru Asia x Japan x India Naked Net USD TR	USD	Long	TR	Asia	0	-	-	BNPIGAXI	Solactive	GAXITR
GURU Global Emerging 6% Volatility target	USD	Long	ER	Emerging Markets	0	-	0.06	BNPIGEM6	Solactive	GEM61ER
Guru All Country Total Return USD Net TR	USD	Long	TR	Worldwide	0	1	-	BNPIGWAN	Solactive	GWANTR
Guru World Developed	USD	Long	TR	World Developed	0	1	-	BNPIGW DN	-	GWDNTR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Naked Net TR				d						
Guru Asia x Japan Naked Gross TR Index	USD	Long	TR	Asia	0	1	0.32	BNPGALGT	Solactive	GALGTR
Guru Asia x Japan x India Naked Gross TR Index	USD	Long	TR	Asia	0	1	-	BNPIGAXG	Solactive	GAXGTR
Guru Global Emerging Gross TR Index	USD	Long	TR	Emerging Markets	0	1	-	BNPIGEMG	Solactive	GEMGTR
Guru Europe short naked TR Index	EUR	Long	TR	Europe	0	1	-	BNPGESTR	Solactive	GESTR
Guru US long naked TR Index	USD	Long	TR	US	0	1	-	BNPGULNT	Solactive	GULNTR
Guru US short naked TR Index	USD	Long	TR	US	0	1	-	BNPGUSTR	Solactive	GUSTR
Guru All Country Total Return USD Gross TR	USD	Long	TR	Worldwide	0	1	-	BNPIGWAG	Solactive	GWAGTR
Guru Global Developed Naked Gross TR	USD	Long	TR	World Developed	0%	100%	-	BNPIGW DG	Solactive	GW DGTR
BNP Paribas High Dividend Yield Europe TR EUR index	EUR	Long	TR	Europe	0%	100%	-	BNPIHDEN	Solactive	HDENTR
Guru All Country Islamic Vol Cap 10 USD ER	USD	Long	ER	Worldwide	0%	100%	0.1	BNPIGI10	-	GI10ER
Guru All Country Islamic Total Return USD Gross	USD	Long	TR	Worldwide	-	-	-	BNPIGWIG	Solactive	GWIGTR
BNP Paribas Low Volatility Risk Premium Long Factor Europe TR Index	EUR	Long	TR	Europe	-	-	-	BNPILVLF	-	LVLFTR
BNP Paribas Low Volatility Risk Premium Europe ER Index	EUR	Long	ER	Europe	-	-	-	BNPILV RP	-	LVRPER
Markit Guru Long Europe Naked TR	EUR	Long	TR	Europe	-	-	-	BNPGELNT	Solactive	GELNTR
BNP Paribas Guru Global Emerging Net Index	USD	Long	TR	Emerging Markets	-	-	-	BNPIGEMN	-	GEMN
BNP Paribas High Dividend Yield US TR USD index	USD	Long	TR	US	-	-	-	BNPIHDUN	Solactive	HDUNTR
BNP Paribas GURU L/S Market Neutral	EUR	Long/Short	ER	Europe + US	0%	100%	0.07	BNPILSNE	-	LSNEER

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
volcap 7 ER Index										

## 2. Thematic Mutual Fund Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a long only exposure to the performance of a portfolio of 'Fund Shares' Index Component Types that are exposed to a given investment strategy ("Thematic").
2	Description of the process of selecting components weighting factors	Indices are generally equally weighted with components respecting performance and AUM constraints
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCinergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCinergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCinergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCinergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Fixed basket
7	Type of index	All Indices listed in the table below are part of the Thematic Mutual Fund Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Starfonds EUR ER Index ER	EUR	ER	Star managers	0%	150%	5.00%	BNPISFEU	SFEUER
BNP Paribas Income Star Fund Index EUR ER	EUR	ER	Star managers	0%	150%	4.50%	BNPIICST	ICSTER
BNP Paribas Russia Funds Index USD ER	USD	ER	Russia	0%	150%	18.00%	BNPIRUUE	RUUEER
BNP Paribas Fond Europe ER	EUR	ER	International Stocks	0%	150%	15.00%	BNPIFEEE	FEEER
BNP Paribas Flexible Fund Stars ER	EUR	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLST	FLSTER
BNP Paribas Star Absolute Return Funds CNSL Index ER	EUR	ER	Absolute Return	0%	150%	6.00%	BNPICNSL	CNSLER
BNP Paribas LATAM Equity Funds ER USD Index ER	USD	ER	LATAM	0%	150%	18.00%	BNPILAUE	LAUER
BNP Paribas EM Square Index ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEME2	EME2ER
BNP Paribas Flexible Star Managers (PLN)	PLN	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSM	FLSMER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Hedged) Index ER								
BNP Paribas Flexible Fund Stars Index (GBP) ER	GBP	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSG	FLSGER
BNP Paribas SLI Enhanced Absolute Return Index EUR TR	EUR	TR	Absolute Return	0%	150%	15.00%	BNPIGARE	GARPR
BNP Paribas Emerging Markets Debt & Equity Funds Index USD ER	USD	ER	Emerging Markets	0%	150%	10.00%	BNPIEMUE	EMUEER
BNP Paribas Emerging Markets Debt & Equity Funds EUR Hedged ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEMEE	EMEEER
BNP Paribas Russia Funds Index EUR Hedged ER	EUR	ER	Russia	0%	150%	18.00%	BNPIRUEE	RUEEER
BNP Paribas Africa Funds Index EUR ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFEE	AFEER
BNP Paribas Africa Funds Square Index ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFE2	AFE2ER
BNP Paribas High Yielding Bond Fund EUR ER Index ER	EUR	ER	High Yield	0%	150%	5.00%	BNPIHYBF	HYBFER
BNP Paribas High Yield and Emerging Bond Funds TR	EUR	TR	High Yield	0%	150%	3.00%	BNPIHYET	HYETR
BNP Paribas High Yield and Emerging Bond Funds ER	EUR	ER	High Yield	0%	150%	3.00%	BNPIHYEE	HYEER
BNP Paribas Global High Yield and Investment Grade Bond Funds USD Index ER	USD	ER	High Yield	0%	150%	3.00%	BNPIHIUE	HIUEER
BNP Paribas Global High Yield and Investment Grade Bond Funds EUR Index ER	EUR	ER	High Yield	0%	150%	3.00%	BNPIHIEE	HIEEER
BNP Paribas CHINDIA Equity Funds EUR ER Index ER	EUR	ER	CHINDIA	0%	150%	18.00%	BNPICIEE	CIEER
BNP Paribas LATAM Equity Funds ER EUR Hedged Index ER	EUR	ER	LATAM	0%	150%	5.00%	BNPILAE	LAEER
BNP Paribas CHINDIA Equity Funds USD Hedged ER Index ER	USD	ER	CHINDIA	0%	150%	18.00%	BNPICIEU	CIUER
BNP Paribas Real Estate Funds USD Hedged Index ER	USD	ER	Real Estate	0%	150%	5.00%	BNPIREUE	REUEER
BNP Paribas Real Estate Funds (HUF Hedged) Excess Return Index ER	HUF	ER	Real Estate	0%	150%	10.00%	BNPIREHE	REHER
BNP Paribas Gold & Precious Metals Funds EUR ER Index ER	EUR	ER	Commodities	0%	150%	15.00%	BNPIGPEE	GPEER
BNP Paribas Africa Funds Index USD ER	USD	ER	Africa	0%	150%	15.00%	BNPIAFUE	AFUEER
Emergents & Investissement Index ER	EUR	ER	Emerging Markets	0%	150%	15.00%	BNPIEMIN	EMINER
BNP Paribas Europe America and Emergent ER	EUR	ER	Europe+US+ Emerging Markets	0%	150%	15.00%	BNPIEAEM	EAEMER
BNP Paribas Strategic Convictions Index ER	EUR	ER	Convictions	0%	150%	10.00%	BNPISCEE	SCEER
DobriniaNikitich Mutual Fund Isovol ER	RUB	ER	Mutual Fund	0%	n.a	25.00%	BNPIDNRE	DNRER
BNP Paribas Gold & Precious Metals Funds USD Hedged ER Index	USD	ER	Commodity	0%	1.5	15.00%	BNPIGPUE	GPUER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
ER								
Dobrynia Index USD ER	USD	ER	Dobrynia funds	0%	n.a	25.00%	BNPIDNUR	DNUER
GOVERNMENT BOND FUND INDEX ER	EUR	ER	Government Bond	100%	1	n.a	BNPIGBTE	GBER
BNP Paribas Emerging Market Corporates Debt EUR ER Index ER	EUR	ER	Emerging Markets	0%	1.5	4.00%	BNPIECEEE	ECEEER
Indeks Funduszy Rynkow Wschodzacych ER	PLN	ER	Rynkow Wschodzacych funds	0%	1.5	8.00%	ENHAEMPL	ENHAEMPL9ER
Cadiz SA tracker Risk Controlled 15% Index ER	ZAR	ER	South Africa	0%	1	15.00%	BNPICSAAE	CSAAEER
Flexible Fund Stars Index (SEK)	SEK	ER	Flexible Star Managers	0%	1.5	5.00%	ENHAFST	ENHAFSTER
KRW FX-Hedge on BNPIAFE2	KRW	ER	Africa	0%	1.5	15.00%	ENHASHAF	ENHASHAFER
ABN AMRO Top Fixed Income Funds EUR Index	EUR	ER	Global Bonds	0%	1.5	4.00%	ENHAATFE	ENHAATFEER
ABN AMRO Top Fixed Income Funds USD Index	USD	ER	Global Bonds	0%	1.5	4.00%	ENHAATFU	ENHAATFUER
ABN AMRO Top Fixed Income Funds AED Index	AED	ER	Global Bonds	0%	1.5	4.00%	ENHAATFA	ENHAATFAER
BNP Paribas Emerging Markets Local Debt Funds USD Index	USD	ER	Emerging Markets	0%	1.5	5.50%	BNPIEMLU	EMLUER
FWR Emerging markets growth opportunities	EUR	TR	Emerging Markets	0%	1.5	10.00%	BNPIEMGO	EMGOTR
BNP Paribas Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	1.5	4.50%	BNPIICSR	ICSRER
BNP Paribas Flexible Fund Stars Index (USD)	USD	ER	Flexible Star Managers	0%	1.5	5.00%	BNPIFLSU	FLSUER
Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	1.5	5.00%	ENHASTAR	ENHASTAR3ER
African Exposure Fund Index	SEK	ER	Africa	0%	1.5	15.00%	ENHAAFSE	ENHAAFSEER
BNP Paribas Newcits Fund Stars Index	EUR	ER	Mutual Fund	0%	1.5	3.00%	BNPINUST	NUSTIER
Open High Yield	EUR	ER	Mutual Fund	0%	1.5	4.50%	ENHAOHY	ENHAOHY1ER
Global Diversified Funds Index	PLN	ER	Mutual Fund	0%	1	10.00%	ENHAGDFI	GDFIER
Diversified Selected Funds ER Index	HUF	ER	Mutual Fund	0%	1	10.00%	ENHADSFE	DSFEER
Alfa Capital Balanced Funds VC Strategy	EUR	TR	Mutual Fund	0%	1.5	7.00%	ENHAACBF	ENHAACBFTR
Globalny Portfel Modelowy ER	PLN	ER	Mutual Fund	0%	1.5	6.00%	ENHAPORT	ENHAPORTER
Hungarian Selected Funds ER Index	HUF	ER	Mutual Fund	0%	1	10.00%	ENHASUQU	ENHASUQU2ER
Wealth Options BNPP Global Star Performers Index	EUR	TR	Mutual Fund	0%	1	-	BNPIGSPI	IGSPITR
Stabilna Strategia	PLN	TR	Mutual Fund	0%	1	8.00%	BNPIPZUF	PZUFER
Alternative Funds Index (SEK)	SEK	ER	Mutual Fund	0%	1.5	4.00%	ENHAALFI	ALFIER
BNP Paribas Real Estate (EUR) ER Index	EUR	ER	Real Estate	0%	1.5	10.00%	BNPIREEE	REEEER
BNP Paribas Real Estate Funds RUB Index	RUB	ER	Real Estate	0%	1.5	10.00%	BNPIRERE	REREER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Newcits Fund Stars <b>Series 2</b> Index	EUR	ER	Mutual Fund	0%	1.5	4.00%	BNPIN2ST	N2STER
BNP Paribas Income Fund Stars Index (USD)	USD	ER	Star managers	0%	1.5	4.50%	BNPIICSU	ICSUER
Bond Funds Target Vol Index	RUB	ER	Bond Mutual Funds	0%	1.5	4.50%	ENHAPFTV	ENHAPFTVER
BNP Paribas Fd - Income Fund Stars Index (EUR)	EUR	ER	Star managers	0%	1.5	4.50%	BNPIICFT	ICFTER
BNP Paribas Fd – Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	1.5	4.50%	BNPIICFR	ICFR
BNP Paribas Fd - Income Fund Stars Index (USD)	USD	ER	Star managers	0%	1.5	450.00%	BNPIICFU	ICFUER
BNP Paribas Fd - Flexible Fund Stars Index (EUR)	EUR	ER	Star managers	0%	1.5	5.00%	BNPIFLFT	FLFTER
BNP Paribas Fd - Flexible Fund Stars Index (USD)	USD	ER	Star managers	0%	1.5	5.00%	BNPIFLFU	FLFUER
BNP Paribas Fd - Newcits- Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	1.5	4.00%	BNPIN2FT	N2FTER
BNP Paribas Fd - Newcits Fund Stars Series 2 Index (USD)	USD	ER	Star managers	0%	1.5	4.00%	BNPIN2FU	N2FUER
BNP Paribas Fd - Emerging Market Debt & Equity Funds Index (RUB)	RUB	ER	Emerging Markets Corporate Debt	0%	1.5	10.00%	BNPIEMFR	EMFRER
BNP Paribas Fd - Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	1.5	5.00%	BNPIFLFG	FLFGER
Global Fixed Income Funds Index	USD	ER	Fixed Income	0%	1.5	3.50%	ENHAGFIF	GFIFER
BNPP Global Dividend Funds Index	EUR	ER	Dividends	0%	1.5	4.00%	BNPIGDFI	BNPIGDFIER
BNP Paribas Newcits Fund Stars Series 2 Index (USD)	USD	ER	Flexible Star Managers	-	1.5	4.00%	BNPIN2SU	N2SUER
BNP New Technology USD ER Index	USD	ER	New Technology	0%	1.5	10.00%	BNPINTER	BNPINTER
BNP PBS Multi Asset	EUR	ER	Multi ASSET	0%	1.5	9.00%	BNPIPBSM	BNPIPBSMER
Stabilna Strategia Plus	PLN	ER	Strategy	-	1	9.00%	BNPIPZU2	PZU2ER
Alternative Star Funds Index	PLN	ER	Flexible Star Managers	0%	1.5	4.00%	ENHAASFI	ASFIER
Diversified Selected Funds II ER	HUF	ER	Diiversified	0%	1	10.00%	ENHADSF2	DSF2ER
Globalna Strategia	PLN	ER	Strategy	-	1	9.00%	ENHAGLST	ENHAGLSTER
Advanced Fund Index	EUR	ER	Advanced	-	-	-	ENHAMANF	ENHAMANFER
Newcits Selection Index	EUR	ER	Flexible Star Managers	0%	1.5	3.00%	ENHANEWC	ENHANEWCER
BNP Paribas Fd - Emerging Markets Debt & Equity Funds Index (EUR)	EUR	ER	Emerging Market	0%	1.5	10.00%	BNPIEMFT	EMFTER
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield	0%	1.5	3.00%	BNPIHIFT	HIFTER
BNP Paribas Fd – Strategic Bond Fund Stars Index (EUR)	EUR	ER	High Yield	0%	1.5	2.50%	BNPISBFT	SBFTER
BNP Paribas Fd – Emerging Markets	EUR	ER	Emerging Market	0%	1.5	4.00%	BNPIECFT	ECFTER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Corporate Debt Funds Index (EUR)								
Alternative Funds Index (EUR)	EUR	ER	Mutual Fund	0%	1.5	4.00%	ENHAALFE	ALFEER
BNP Paribas Fd – Africa Equities Funds Index (EUR)	EUR	ER	Africa	0%	1.5	15.00%	BNPIAEFT	AEFT
BNP Paribas Fd – Africa Equities Funds Index (SEK)	SEK	ER	Africa	0%	1.5	15.00%	BNPIAEFS	AEFS
BNP Paribas Fd - Real Estate Funds Index (EUR)	EUR	ER	Real Estate	0%	1.5	10.00%	BNPIREFT	BNPIREFT
BNP Paribas Fd - Real Estate Funds Index (USD)	USD	ER	Real Estate	0%	1.5	10.00%	BNPIREFU	BNPIREFU
Newcits II Fund Index (SEK)	SEK	ER	Mutual Fund	0%	1.5	4.00%	ENHAALF2	ALF2ER
BNP Paribas MS - Income Fund Stars Series 2 Index (EUR)	EUR	ER	Income Funds	0%	1.5	5.00%	BNPI2CMT	2CMTER
BNP Paribas MS- Income Fund Star Series 2 Index (USD)	USD	ER	Income Funds	0%	1.5	5.00%	BNPI2CMU	2CMUER
BNP Paribas Ms – MultiStrat Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	1.5	4.00%	BNPIMSFT	MSFT
Newcits Absolute Return Fund Index	SEK	ER	Mutual Funds	0%	1.5	4.00%	ENHAALFA	ALFARER
BNP Paribas MS – Newcits Fund Stars 3 Index (EUR)	EUR	ER	Newcits Funds	0%	1.5	3.50%	BNPIN3FT	N3FTER
BNP Paribas MS – Newcits Fund Stars 3 Index (USD)	USD	ER	Newcits Funds	0%	1.5	3.50%	BNPIN3FU	N3FUER
Stars Select Fund Index (EUR)	EUR	ER	Newcits Funds	0%	1.5	3.50%	ENHA2SFE	ENHA2SFE
Stars Select Fund Index (SEK)	SEK	ER	Newcits Funds	0%	1.5	3.50%	ENHA2SFS	ENHA2SFS
ISCS Top Stocks Fund – Risk Controlled Index	CZK	TR	Mutual Fund	0%	1.25	15.00%	BNPISCST	SCST
BNP Paribas Ms – MultiStrat Fund Stars Index (USD)	USD	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFU	MSFU
Income Fund Champions Index	EUR	ER	Income	0%	150%	5.00%	ENHAINCH	INCHER
BNP Paribas MS - Newcits Fund Stars 3 Index (DKK)	DKK	ER	Absolute return	0%	150%	3.50%	BNPIN3FD	N3FD
BNP Paribas MS - Newcits Fund Stars 3 Index (SEK)	SEK	ER	Absolute return	0%	150%	3.50%	BNPIN3FS	N3FS
Fund Volatility Target Strategy KRW Index	KRW	ER	Fixed Income	0%	100%	4.00%	ENHAFVTK	ENHAFVTK
BNP Paribas WM ELITE 1 USD	USD	ER	Mixed	0%	150%	3.50%	BNPWME1	WMEL1
BNP Paribas MS - Allocation Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	5.00%	BNPIAFSU	AFSU
BNP Paribas MS - Allocation Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIAFST	AFST
BNP Paribas MS - Allocation Fund Stars Index (DKK)	DKK	ER	Star managers	0%	150%	5.00%	BNPIAFSD	AFSD
BNP Paribas MS - Allocation Fund Stars Index (SEK)	SEK	ER	Star managers	0%	150%	5.00%	BNPIAFSE	AFSE
BNP Paribas Fd - High yield and emerging bond funds Index	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFT	HEFTER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
(EUR)								
BNP Paribas Fd - High yield and emerging bond funds Index (USD)	USD	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFU	HEFU
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (USD)	USD	ER	Emerging Market	0%	150%	4.00%	BNPIECFU	ECFU
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (USD)	USD	ER	High Yield	0%	150%	3.00%	BNPIHIFU	HIFU
BNP Paribas MS – Diversified Fund Star Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.50%	BNPIDFST	DFST
BNP Paribas MS – Diversified Fund Star Index (USD)	USD	ER	Mutual Fund	0%	150%	4.50%	BNPIDFSU	DFSU
BNP Paribas Fd - Real Estate Europe Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIRE2E	RE2E
BNP Paribas Fd - Real Estate Europe Funds Index (USD)	USD	ER	Real Estate	0%	150%	10.00%	BNPIRE2U	RE2U
BNP Paribas Ms – Sustainable Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	7.00%	BNPISFFT	SFFT
BNP Paribas Ms – Sustainable Fund Stars Index (USD-Hedged version)	USD	ER	Mutual Fund	0%	150%	7.00%	BNPISFFU	SFFU
BNP Paribas Ms – Equity L/S Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	7.00%	BNPIELFT	ELFT
BNP Paribas Ms – Equity L/S Fund Stars Index (USD-Hedged version)	USD	ER	Mutual Fund	0%	150%	7.00%	BNPIELFU	ELFU
BNP Paribas MSB - Income Fund Star Series 2 Index (EUR)	EUR	TR	Income Funds	0%	150%	5%	BNPI2CMB	2CMB
BNP Paribas MSB – MultiStrat Fund Stars Index (EUR)	EUR	TR	Mutual Fund	0%	150%	4%	BNPIMSFB	MSFB
BNP Paribas MSB - Allocation Fund Stars Index (EUR)	EUR	TR	Star managers	0%	150%	5%	BNPIASFB	ASFB
BNP Paribas MSB – Newcits Fund Stars 3 Index (EUR)	EUR	TR	Newcits Funds	0%	150%	3.50%	BNPIN3FB	N3FB
Swedish Mixed Allocation Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	12.00%	BNPIASWE	ASWE

### 3. Thematic Equity Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide exposure to the performance of a notional basket of 'Equity' Index Components. The Index comprises a basket of a minimum of 5 and a maximum of 50 'Equity' Index Components whose revenues are predominantly linked to a specific thematic
2	Description of the process of selecting components weighting factors	The objective of each Index is to provide exposure to the performance of a notional basket of 'Equity' Index Components. The Index comprises a basket of a minimum of 5 and a maximum of 50 'Equity'

		Index Components whose revenues are predominantly linked to a specific thematic.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Generally twice a year
7	Type of index	All Indices listed in the table below are part of the Thematic Equity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Emerging Consumer ER	EUR	ER	Consumer	0%	200%	15%	BNPIECER	ECER
Ethibel ER	EUR	ER	Ethibel	0%	200%	15%	BNPIETER	ETER
Energy Efficiency ER	EUR	ER	Energy Efficiency	0%	200%	15%	BNPIEER	EEER
Emerging Infrastructure ER	EUR	ER	Infrastructure	0%	100%	18%	BNPIEIER	EIER
Agribusiness ER	EUR	ER	Agribusiness	0%	200%	15%	BNPIGAER	GAER
Agribusiness USD TR	USD	TR	Agribusiness	0%	200%	15%	BNPIGAUI	GAUTR
Grey Gold ER	EUR	ER	Grey Gold	0%	200%	15%	BNPIGGER	GGER
Global Infrastructure ER	EUR	ER	Infrastructure	0%	200%	15%	BNPIGIER	GIER
Global Waste Management ER	EUR	ER	Waste Management	0%	200%	15%	BNPIGWER	GWER
M&A ER	EUR	ER	M&A	0%	200%	SX5E	BNPIMAER	MAER
M&A TR	EUR	ER	M&A	100%	100%	n.a	BNPIMATR	MATR
Renewable Energy ER	EUR	ER	Renewable Energy	0%	200%	15%	BNPIREER	REER
Global Water ER	EUR	ER	Water	0%	200%	15%	BNPIWAER	WAER
Next 11 Core 8 ER	EUR	ER	Emerging Markets	0%	100%	18%	BNPINEER	NEER
Renewable Energy USD TR	USD	TR	Renewable Energy	0%	200%	15%	BNPIREUI	REUTR
BNP Paribas High Div 15 TR Index	EUR	TR	High Dividend	0%	100%	15%	BNPIHDTR	HD15TR
BNPP Global Green Excess Return Index volcap 12% ER	EUR	ER	Green	0%	100%	12%	BNPIGRER	GEER
Key Idea ER	EUR	ER	Key Idea	0%	200%	SX5E	BNPIKIER	KIER
BNP Paribas High Div 15 ER Index	EUR	ER	High Dividend	0%	100%	15%	BNPIHDER	HD15ER
BNP Paribas Inflation Equity USD TR	USD	TR	Inflation	100%	100%	n.a	BNPIEUT	IEUTR

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas High Div Naked TR Index	EUR	TR	High Dividend	100%	100%	n.a	BNPIHDNT	HDNTR
BNP Paribas High Dividend Yield Japan Equity Long TR	JPY	TR	High Dividend	100%	1	n.a	BNPIHDJT	HDJTTR
BNP Paribas African Consumer EUR TR	EUR	TR	Consumer	100%	1	n.a	BNPIACTR	ACTR
BNP Paribas African Consumer Isovol 15 EUR ER	EUR	ER	Consumer	0%	1.5	15%	BNPIACER	ACERER
AXA Singapore Equity Select Index	SGD	PR	Singapore	0%	1	11%	ENHAALSG	ENHAALSGP R
BNP Paribas World ex Japan Large Cap Tracker Index TR	USD	TR	World ex Japan	0%	2	-	BNPIWLCT	WLCTTR
Next 11 Core 8 SBox PR	EUR	PR	Next 11	0%	1	-	BNPINEPR	BNPINEPR
BNP Paribas Technology 15 RUB Index	RUB	ER	Techno	0%	1.5	15%	BNPINTRE	NTRER
BNP Paribas Global Agribusiness Total Return Index (USD)	USD	TR	Agribusiness	0%	2	15%	BNPIGATR	BNPIGATR
BNP Paribas Global Waste Management Total Return Index (USD)	USD	TR	Waste Management	-	-	-	BNPIGWTR	BNPIGWTR
BNP Paribas Next 11 Core 8 Total Return Index (USD)	USD	TR	Emerging Markets	-	-	-	BNPINETR	BNPINETR
BNP Paribas Global Renewable Energies Total Return Index (USD)	USD	TR	Renewable Energies	-	-	-	BNPIRETR	BNPIRETR
BNP Paribas Global Water Total Return Index (USD)	USD	TR	Water	-	-	-	BNPIWATR	BNPIWATR
BNP Paribas World Renewable Energy Total Return Index (EUR)	EUR	TR	Renewable Energies	-	-	-	BNPIRETE	BNPRETE
Next dividend Low Risk Europe	EUR	PR	Efficient Europe	100%	1	-	BNPINXDV	NXDVPR
Next Dividend High Beta Europe	EUR	PR	Efficient Europe	100%	1	-	BNPINXHB	BNPINXHBP R
Dynamic deep Value Equity Europe Index	EUR	PR	Efficient Europe	100%	1	-	ENHADEEP	DEEPPR
Deep Value Europe Select 50 PR Index	EUR	PR	Efficient Europe	100%	1	-	ENHADVE5	DVE5ER
Global Grey Gold Select 30 USD	USD	PR	Ageing Population	100%	1	-	BNPIGGGP	GGGPPR

#### 4. Fixed Exposure Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure ("Long") or negative exposure ("Short") to the performance of instruments of different kinds ("Instrument Kind") that can be a Future Contract ("Future") or a Forward ("Forward") or an Index ("Index") that are linked to a given reference instrument ("Reference Instrument").
2	Description of the process of selecting components weighting factors	Components and weights are fixed
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCinergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCinergy@.pdf</a> as soon as such Index is the underlying of a product which is under the

		scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Fixed Exposure Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Eurozone Dividend 17 X2 Daily Leverage Index TR	EUR	Long	TR	Future	SX5E Dividend 2017	200%	BDE17L2T	-	EL2T17TR
BNP Paribas EU Dividend 16 X-1 Daily Leverage Index TR TR	EUR	Short	TR	Future	SX5E Dividend 2016	-100%	BDE16S1T	-	BDE16S1TTR
BNP Paribas EU Dividend 17 X-1 Daily Leverage Index TR TR	EUR	Short	TR	Future	SX5E Dividend 2017	-100%	BDE17S1T	-	BDE17S1TTR
BNP Paribas EU Dividend 16 X-1 Daily Leverage Index INAV TR	EUR	Short	TR	Future	SX5E Dividend 2016	-100%	BDE16S1I	-	BDE16S1ITR
BNP Paribas EU Dividend 17 X-1 Daily Leverage Index INAV TR	EUR	Short	TR	Future	SX5E Dividend 2017	-100%	BDE17S1I	-	BDE17S1ITR
BNP Paribas Eurozone Dividend 17 X1 Daily Leverage Index TR	EUR	Long	TR	Future	SX5E Dividend 2017	100%	BDE17L1T	-	EL1T17TR
BNP Paribas Eurozone Dividend 16 X2 Daily Leverage Index TR	EUR	Long	TR	Future	SX5E Dividend 2016	200%	BDE16L2T	-	EL2T16TR
BNP Paribas Eurozone Dividend 16 X1 Daily Leverage Index TR	EUR	Long	TR	Future	SX5E Dividend 2016	100%	BDE16L1T	-	EL1T16TR
BNP Paribas USD 10Y Futures Index ER	USD	Long	ER	Future	10-Year US Treasury Note	100%	BNPIFU10	-	FU10ER
BNP Paribas USD EUR Forward Index ER	USD	Long	ER	Forward	USD-EUR Exchange Rate	100%	BNPIUSEU	-	USEUER
BNP Paribas AUD 3Y Futures Index ER	AUD	Long	ER	Future	3-Year Australian Gov't Bond	100%	BNPIFAU3	-	FAU3ER
BNP Paribas GBP EUR Forward Index ER	EUR	Long	ER	Forward	GBP-EUR Exchange Rate	100%	BNPIGBEU	-	GBEUER
BNP Paribas Eurozone Equity Futures Index ER	EUR	Long	ER	Future	DJ Euro Stoxx 50 Index	100%	BNPIFEU	-	FEUER
BNP Paribas India(SGX) Equity Futures Index ER	USD	Long	ER	Future	NSE CNX NIFTY INDEX	100%	BNPIFIN S	-	FINSER
BNP Paribas Australia Equity Futures Index	AUD	Long	ER	Future	S&P/ASX 200 INDEX	100%	BNPIFAU	-	FAUER

ER									
BNP Paribas EUR 5Y Futures Index ER	EUR	Long	ER	Future	Euro-Bobl 5yr 6%	100%	BNPIFEU5	-	FEU5ER
BNP Paribas EUR 10Y Futures Index ER	EUR	Long	ER	Future	Euro-Bund 10yr 6%	100%	BNPIFE10	-	FE10ER
BNP Paribas Hong Kong Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG INDEX	100%	BNPIFK	-	FHKER
BNP Paribas Singapore Equity Futures Index ER	SGD	Long	ER	Future	MSCI SINGAPORE FREE	100%	BNPIFSG	-	FSGER
BNP Paribas Japan Equity Futures Index ER	JPY	Long	ER	Future	NIKKEI 225	100%	BNPIFJP	-	FJPER
BNP Paribas US Equity Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS	-	FUSER
BNP Paribas UK Equity Futures Index ER	GBP	Long	ER	Future	FTSE 100 INDEX	100%	BNPIFGB	-	FGBER
BNP Paribas US Equity 5Y Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS5	-	FUS5ER
BNP Paribas Taiwan Equity Futures Index ER	USD	Long	ER	Future	MSCI TAIWAN	100%	BNPIFTW	-	FTWER
BNP Paribas China Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG CHINA ENT INDX	100%	BNPIFCN	-	FCNER
BNP Paribas Korea Equity Futures Index ER	KRW	Long	ER	Future	KOSPI 200 INDEX	100%	BNPIFKR	-	FKRER
BNP Paribas GBP 10Y Futures Index ER	GBP	Long	ER	Future	UK 10yr 4.0 %	100%	BNPIFG10	-	FG10ER
BNP Paribas Emergents Futures Index ER	USD	Long	ER	Future	MSCI EM	100%	BNPIFEM	-	FEMER
BNP Paribas Volatility US Short Term Futures Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVXST	-	VXSTER
BNP Paribas Volatility Front 5 days Futures Index ER	EUR	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVX5E	-	VX5EER
BNP Paribas JPY 10Y Futures Index ER	JPY	Long	ER	Future	Jpn 10yr 6%	100%	BNPIFJ10	-	FJ10ER
BNP Paribas Malaysia Equity Futures Index ER	MYR	Long	ER	Future	FTSE Bursa Malaysia KLCI	100%	BNPIFMA	-	FMAER
BNP Paribas Sweden Futures Index ER	SEK	Long	ER	Future	OMX STOCKHOLM 30 INDEX	100%	BNPIFSA	-	FSWER
BNP Paribas Russia Futures Index ER	USD	Long	ER	Future	RUSSIAN RTS INDEX \$	100%	BNPIFRU	-	FRUER
BNP Paribas Italy Futures Index ER	EUR	Long	ER	Future	FTSE MIB INDEX	100%	BNPIFIT	-	FITER
BNP Paribas Spain Futures Index ER	EUR	Long	ER	Future	IBEX 35 INDEX	100%	BNPIFSP	-	FSPER
BNP Paribas Netherlands Futures Index ER	EUR	Long	ER	Future	AEX-Index	100%	BNPIFNE	-	FNEER
BNP Paribas EUR USD Forward Index ER	USD	Long	ER	Forward	EUR USD Exchange Rate	100%	BNPIEUS	-	EUUSER
BNP Paribas HKD USD Forward Index ER	USD	Long	ER	Forward	HKD USD Exchange Rate	100%	BNPIHKUS	-	HKUSER
BNP Paribas South Africa Equity Futures Index ER	ZAR	Long	ER	Future	FTSE/JSE AFRICA TOP40 IX	100%	BNPIFSA	-	FSAER
BNP Paribas Norway Futures Index ER	NOK	Long	ER	Future	OBX STOCK INDEX	100%	BNPIFNO	-	FNOER
BNP Paribas CAD 10Y Futures Index ER	CAD	Long	ER	Future	Can 10yr 6%	100%	BNPIFC10	-	FC10ER

BNP Paribas Turkey Equity Futures Index ER	TRY	Long	ER	Future	ISE NATIONAL 30	100%	BNPIFTU	-	FTUER
BNP Paribas Europe Dividendes 1Y Futures Index ER	EUR	Long	ER	Future	SX5E Dividend	100%	BNPIFED 1	-	FED1ER
BNP Paribas Europe Dividendes 2Y Futures Index ER	EUR	Long	ER	Future	SX5E Dividend	100%	BNPIFED 2	-	FED2ER
BNP Paribas Europe Dividendes 3Y Futures Index ER	EUR	Long	ER	Future	SX5E Dividend	100%	BNPIFED 3	-	FED3ER
BNP Paribas Europe Dividendes 4Y Futures Index ER	EUR	Long	ER	Future	SX5E Dividend	100%	BNPIFED 4	-	FED4ER
BNP Paribas Europe Dividendes 5Y Futures Index ER	EUR	Long	ER	Future	SX5E Dividend	100%	BNPIFED 5	-	FED5ER
BNP Paribas EUR 2Y Futures Index ER ER	EUR	Long	ER	Future	Euro-Schatz 2yr 6%	100%	BNPIFEU 2	-	FEU2ER
BNP Paribas JP Equity Futures (synch EU morning) Index ER	JPY	Long	ER	Future	NIKKEI 225	100%	BNPIFSJ P	-	FSJPER
BNP Paribas EU Equity Futures (synch EU morning) Index ER	EUR	Long	ER	Future	Euro Stoxx 50 Pr	100%	BNPIFSE U	-	FSEUER
BNP Paribas US Equity Futures (synch EU morning) Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFSU S	-	FSUSER
BNP Paribas Brazil Equity Futures Index ER	BRL	Long	ER	Future	BRAZIL BOVESPA INDEX	100%	BNPIFBR	-	FBRER
BNP Paribas JPY USD Forward Index ER	USD	Long	ER	Forward	JPY USD Exchange Rate	100%	BNPIJPU S	-	JPUSER
BNP Paribas NZD EUR Forward Index ER	EUR	Long	ER	Forward	NZD EUR Exchange Rate	100%	BNPINZ EU	-	NZEUER
BNP Paribas SEK EUR Forward Index ER	EUR	Long	ER	Forward	SEK EUR Exchange Rate	100%	BNPISEE U	-	SEEUER
BNP Paribas TRY EUR Forward Index ER	EUR	Long	ER	Forward	TRY EUR Exchange Rate	100%	BNPITRE U	-	TREUER
BNP Paribas USD 30Y Futures Index ER	USD	Long	ER	Future	US 20yr 6%	100%	BNPIFU3 0	-	FU30ER
BNP Paribas US Equity Futures (synch EU) Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS S	-	FUSSER
BNP Paribas Volatility 7 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 7	-	VIX7ER
BNP Paribas Volatility 1 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 1	-	VIX1ER
BNP Paribas Volatility 2 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 2	-	VIX2ER
BNP Paribas Volatility 3 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 3	-	VIX3ER
BNP Paribas Volatility 4 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 4	-	VIX4ER
BNP Paribas Volatility 5 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 5	-	VIX5ER
BNP Paribas Volatility 6 US Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVIX 6	-	VIX6ER
BNP Paribas NOK	EUR	Long	ER	Forward	NOK EUR	100%	BNPINO	-	NOEUER

EUR Forward Index ER					Exchange Rate		EU		
BNP Paribas SGD EUR Forward Index ER	EUR	Long	ER	Forward	SGD EUR Exchange Rate	100%	BNPISGEU	-	SGEUER
BNP Paribas AUD EUR Forward Index ER	EUR	Long	ER	Forward	AUD EUR Exchange Rate	100%	BNPIAU EU	-	AUEUER
BNP Paribas CHF EUR Forward Index ER	EUR	Long	ER	Forward	CHF EUR Exchange Rate	100%	BNPICH EU	-	CHEUER
BNP Paribas JPY EUR Forward Index ER	EUR	Long	ER	Forward	JPY EUR Exchange Rate	100%	BNPIJPEU	-	JPEUER
BNP Paribas HKD EUR Forward Index ER	EUR	Long	ER	Forward	HKD EUR Exchange Rate	100%	BNPIHK EU	-	HKEUER
BNP Paribas CAD EUR Forward Index ER	EUR	Long	ER	Forward	CAD EUR Exchange Rate	100%	BNPICA E	-	CAEER
BNP Paribas EUR JPY Forward Index ER	JPY	Long	ER	Forward	EUR JPY Exchange Rate	100%	BNPIEUJ P	-	EUJPER
BNP Paribas HKD JPY Forward Index ER	JPY	Long	ER	Forward	HKD JPY Exchange Rate	100%	BNPIHKJ P	-	HKJPER
BNP Paribas USD JPY Forward Index ER	JPY	Long	ER	Forward	USD JPY Exchange Rate	100%	BNPIUSJ P	-	USJPER
BNP Paribas Poland Equity Futures Index ER	PLN	Long	ER	Future	WSE WIG 20 INDEX	100%	BNPIFPL	-	FPLER
BNP Paribas Switzerland Equity Futures Index ER	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFC H	-	FCHER
BNP Paribas France Equity Futures Index ER ER	EUR	Long	ER	Future	CAC 40 INDEX	100%	BNPIFR	-	FFRER
BNP Paribas Germany Equity Futures Index ER ER	EUR	Long	ER	Future	DAX INDEX	100%	BNPIFGE	-	FGEER
BNP Paribas Canada Equity Futures Index ER	CAD	Long	ER	Future	S&P/TSX 60 INDEX	100%	BNPIFC A	-	FCAER
BNP Paribas US Small Caps Equity Futures Index ER	USD	Long	ER	Future	RUSSELL 2000 INDEX	100%	BNPIFUS C	-	FUSCER
BNP Paribas EUR 5Y Index TR TR	EUR	Long	TR	Future	Euro-Bobl 5yr 6%	100%	BNPIFE5 T	-	FESTR
BNP Paribas Equity Spread Euro STOXX50 Index Future vs CME S&P500 Index Future FX Hedged EUR Index TR TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	100%	BNPISEU E	-	SEUETR
BNP Paribas Equity Spread US vs Eurozone Future FX Hedged EUR Index TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	-100%	BNPISUE E	-	SUEETR
S&P VIX Futures Tail Risk Index TR - Short Term TR	USD	Long	TR	Future	CBOE SPX VOLATILITY INDX	100%	SPVXTR ST	-	SPVXSTR
S&P VIX Futures Tail Risk Index ER - Short Term ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	SPVXTR SP	-	RSPER
Inav on BNP Paribas Short European Volatility Index EUR TR ER	EUR	Long	ETN	Index	BNP Paribas Short European Volatility Index EUR TR	100%	BNPISV XI	-	SVXIER
BNP Paribas US Volatility TWAP Futures 1 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X1	-	TVX1ER

BNP Paribas US Volatility TWAP Futures 2 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X2	-	TVX2ER
BNP Paribas US Volatility TWAP Futures 3 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X3	-	TVX3ER
BNP Paribas US Volatility TWAP Futures 4 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X4	-	TVX4ER
BNP Paribas US Volatility TWAP Futures 5 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X5	-	TVX5ER
BNP Paribas US Volatility TWAP Futures 6 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X6	-	TVX6ER
BNP Paribas US Volatility TWAP Futures 7 Index ER	USD	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPITV X7	-	TVX7ER
BNP Paribas JPY 10Y Close Index ER	JPY	Long	ER	Future	Jpn 10yr 6%	100%	BNPIF10 J	-	F10JER
BNP Paribas US Equity X4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4LU T	-	LUTTR
BNP Paribas US Equity X4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X4 Daily Leverage Index TR	400%	BNPI4LU I	-	LUITR
BNP Paribas US Equity X-4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4SU T	-	SUTTR
BNP Paribas US Equity X-4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X-4 Daily Leverage Index TR	400%	BNPI4SU I	-	SUITR
BNP Paribas France 10Y Index ER	EUR	Long	ER	Future	Euro-OAT 10yr 6%	100%	BNPIFF1 0	-	FF10ER
BNP Paribas Europe 30Y Index ER	EUR	Long	ER	Future	Euro 30yr 4%	100%	BNPIFE3 0	-	FE30ER
BNP Paribas US 2Y Index ER	USD	Long	ER	Future	US 2yr 6%	100%	BNPIFUS 2	-	FUS2ER
BNP Paribas Italy 10Y Index ER	EUR	Long	ER	Future	BTP 10yr 6%	100%	BNPIF110	-	FI10ER
BNP Paribas AUD JPY Forward Index	JPY	Long	ER	Forward	AUD JPY Exchange Rate	100%	BNPIAUJ P	-	AUJPER
BNP Paribas China Onshore Futures Index	USD	Long	ER	Future	FTSE China	100%	BNPIFC NO	-	FCNO2ER
BNP Paribas Japan Tokyo Futures Index ER	JPY	Long	ER	Future	Topix Index	100%	BNPIFJT	-	FJTER
BNP Paribas BRL USD Forward Index ER	USD	Long	ER	Forward	BRL USD Exchange Rate	100%	BNPIBR US	-	BRUSER
BNP Paribas Emerging Currency Basket JPY ER Index	JPY	Long	ER	Index	BNP Paribas Emerging Currency Basket JPY ER Index	100%	BNPIECJ E	-	ECJEER
BNP Paribas Switzerland 10Y Future Index	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFS1 0	-	FS10ER
BNP Paribas INR USD Forward Index ER	USD	Long	ER	Forward	INR USD Exchange Rate	100%	BNPIINU S	-	INUSER
India Equity Select Index	INR	Long	TR	Index	NSE CNX NIFTY INDEX	100%	ENHAIN UT	-	INUTTR
BNP Paribas MXN USD Forward Index ER	USD	Long	ER	Forward	MXN USD Exchange Rate	100%	BNPIMX US	-	MXUSER
BNP Paribas PLN EUR Forward Index ER	EUR	Long	ER	Forward	PLN EUR Exchange Rate	100%	BNPIPLE U	-	PLEUER
BNP Paribas ZAR USD Forward Index ER	USD	Long	ER	Forward	ZAR USD Exchange Rate	100%	BNPIZA US	-	ZAUSER

BNP Paribas Europe Small Caps Equity Futures Index	EUR	Long	ER	Futures	Stoxx Europe Small 200 Index Future	100%	BNPIFEUS	-	BNPIFEUS
China Equities Rolling Futures Index	HKD	Long	ER	Futures	H-shares Index Future	100%	BNSXFC HI	Solactive	BNSXFCHI
Emerging Equities Rolling Futures Index	USD	Long	ER	Futures	mini MSCI Emerging Markets Index Future	100%	BNSXFE ME	Solactive	FEME

## 5. Risk Control Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a "Reference Index". The exposure to the underlying is dynamically adjusted in order to control the risks associated with the Index, with a volatility control mechanism
2	Description of the process of selecting components weighting factors	Based on the volatility of components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Risk Control Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Poland RC 20 PLN Hedged ER	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	150%	20%	ENHAFPLP	FPLPER
BNP Paribas Risk-Controlled 10 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	n.a	10%	BNPI10UE	RC10USEER
BNP Paribas Risk-Controlled 15 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	n.a	15%	BNPI15UE	RC15USEER
BNP Paribas Risk-Controlled 20 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	n.a	20%	BNPI20UE	RC20USEER
BNP Paribas Risk-Controlled 25 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	n.a	25%	BNPI25UE	RC25USEER
BNP Paribas Risk-Controlled 30 US	USD	ER	BNPP Paribas US Equity	0%	n.a	30%	BNPI30UE	RC30USEER

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Equity Index ER			Futures Index					
BNP Paribas Risk-Controlled 15 Eurozone Equity Index TR	EUR	TR	BNPP Paribas Eurozone Equity Futures Index	0%	n.a	15%	BNPI15ET	SXE15TR
BNP Paribas Risk-Controlled 15 Eurozone Equity Index ER	EUR	ER	BNPP Paribas Eurozone Equity Futures Index	0%	n.a	15%	BNPI15EE	SXE15ER
BRIC RC 10 PLN Hedged ER	PLN	ER	Dow Jones BRIC 50 All DR Volatility Risk Control Index	0%	150%	10%	ENHABRCP	BRCPER
Africa RC 10 PLN Hedged ER	PLN	ER	S&P Access Africa Daily Risk Control 10% Excess Return	0%	150%	10%	ENHAAFRP	AFRPER
BNP Paribas Volcap10 on 10Y American Bonds USD ER	USD	ER	Paribas USD 10Y Futures Index	0%	100%	10%	BNPI10U1	FU10_ISOVOL10ER
BNP Paribas Japanese Equity Dynamic Risk Control Index ER	JPY	ER	BNP Paribas Japan Tokyo Futures Index	0%	100%	10%	BNPIDJTE	DJTEER
BNP Paribas Japanese Equity Dynamic Risk Control Index TR	JPY	TR	BNP Paribas Japan Tokyo Futures Index	0%	100%	10%	BNPIDJTT	DJTT1TR
High Dividend RC 10 PLN Hedged ER Index	PLN	ER	Stoxx Global Dividend 100 Net Return Index	0%	100%	10%	ENHADVDP	ENHADVDPER
HIGH YIELD RC 10 PLN HEDGED ER Index	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	100%	10%	ENHAYILD	ENHAYILDER
Russian Values Index	RUB	ER	BNPIFRU (Russia Futures Index) and SPGSGCP (GSCI Gold ER)	0%	150%	20%	ENHARVGI	ENHARVGIER
BNP Paribas World ex-Japan Equity Dynamic Risk Control Index TR	USD	TR	NIKKEI 225	0%	150%	20%	BNPIDWET	BNPIDWETTR
BNP Paribas High Dividend Europe TR EUR	EUR	TR	SX5E Index	0%	100%	8%	BNPIHDE8	HDE8TR
BNP Paribas Maximum Income Equity Europe KRW 10 Index	KRW	ER	SX5E Index	0%	100%	10%	BNPIMIK1	MIK1ER
Insular Philippine Equity PHP Index	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHA21IL	ENHA21ILER
Asia Tiger Risk Control 10 Excess Return	RUB	ER	MSCI EM	0%	150%	10%	ENHAAT10E	AT10ER
BPI-Philam Asia Growth 3 Index	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHABAG3	ENHABAG3ER
Insular Philippine Equity PHP Index 2	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHAT2IL	T2ILER

## 6. Millenium Indices

1	<b>Index strategy, investment policy, objective of the Index</b>	The objective of each Index is to provide synthetic exposure to the performance of a notional long/short basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
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2	<b>Description of the process of selecting components weighting factors</b>	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk. The weights of the Index Components that comprise this basket are calculated taking into account their trends, volatility and/or correlation with the market and the other Components
3	<b>Methods and formulae of calculation</b>	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCnergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCnergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	<b>Index Calculation Agent</b>	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	<b>Adjustment rules</b>	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCnergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCnergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	<b>Frequency review</b>	Daily
7	<b>Type of index</b>	All Indices listed in the table below are part of the Millenium Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Cadiz Dynamic New World Index TR	EUR	TR	0%	100%	12%	BNPICNWT	CNWTR
Millenium New World ER	EUR	ER	0%	100%	12%	BNPIMNWE	MNWER
Cadiz Dynamic New World Index ER	EUR	ER	0%	100%	12%	BNPICNWE	CNWER
Millenium US Centric ER	USD	ER	0%	100%	8%	BNPIMUER	MUER
CIMB Evergreen II Index ER	EUR	ER	-100%	100%	10%	CIMGEVG2	MMSEER
Millenium Japan 10 JPY TR	JPY	TR	0%	100%	10%	BNPIMJYT	MJYTR
Millenium 10 EUR Serie 3 TR	EUR	TR	0%	100%	10%	BNPIMV3T & BNPICGOT	MI3TR
Millenium Evergreen Master Series ER	EUR	ER	-100%	100%	10%	CIMGEVGR	CIMGEV2ER
BNP Paribas Millenium 10 Europe Series 3 (HUF Hedged) ER	HUF	ER	0%	100%	10%	BNPIMH3E	M10HS3ER
BNP Paribas NF8 Europe (PLN Hedged) ER	PLN	ER	0%	100%	8%	BNPINFPE	NF8PER
BNP Paribas Millenium Master Series Japan Vol 10 Index ER	JPY	ER	0%	100%	10%	BNPIMJ10	MJ10ER
BNP Paribas Millenium Master Series 11 Fx hedged EUR Index TR	EUR	TR	0%	100%	11%	BNPIMMFT	MMFTTR
BNP Paribas Longitude Fx hedged EUR TR Index TR	EUR	TR	0%	100%	10%	BNPILGFT	GFTTR
Millenium Master Series Futures EUR ER	EUR	ER	0%	100%	10%	BNPIMMSF	MMSFER
Millenium Federal Finance Master Series EUR ER	EUR	ER	0%	100%	10%	BNPIMFFE	MFFER
Millenium Master Series 8 EUR ER	EUR	ER	0%	100%	8%	BNPIM8EE	M8EEER
BNP Paribas Longitude EUR Index ER	EUR	ER	0%	100%	10%	BNPILGEE	GLEER
BNP Paribas Multi-Asset Inflation Strategy Vol 5 ER	EUR	ER	0%	100%	10%	BNPIMIE5	MIE5ER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas millenium master series (HUF Hedged) ER	HUF	ER	0%	100%	10%	BNPIMMSH	MMSHER
Millenium Master Sparkasse Bremen Vermoens strategie Index EUR ER	EUR	ER	0%	100%	10%	BNPISBME	MMSBER
Millenium Master Series 8 PLN ER	PLN	ER	0%	100%	8%	BNPIM8PE	M8PEER
BNP Paribas Millenium Master Series USD Hedged Index ER	USD	ER	0%	100%	10%	BNPIMMUE	MMUEER
BNP Paribas Multi-Asset Aggressive (HUF Hedged) Index ER	HUF	ER	0%	100%	12%	BNPIM12H	M12HER
BNP Paribas Multi-Asset Conservative (HUF Hedged) Index ER	HUF	ER	0%	100%	6%	BNPIM6HE	M6HEER
BNP Paribas Multi-Asset Balanced (HUF Hedged) Index ER	HUF	ER	0%	100%	8%	BNPIM8HE	M8HEER
BNP Paribas Longitude HUF Hedged ER Index ER	HUF	ER	0%	100%	10%	BNPILGHE	GHEER
BNP Paribas Millenium Diversifie CRN Index ER	EUR	ER	0%	100%	8%	BNPIMCRN	MCRNER
BNP Paribas Master Series 10 PLN ER	PLN	ER	0%	100%	10%	BNPIMMPE	MMPEER
Millenium 10 Europe Series 3 (Sterling Hedged) TR	EUR	TR	0%	100%	10%	BNPIMS3T	MS3TR
BNP Paribas Multi-Asset Inflation Strategy Vol 10 ER	EUR	ER	0%	100%	10%	BNPIMIEE	MIEEER
Millenium New World TR	EUR	TR	0%	100%	12%	BNPIMNWT	MNWTR
Millenium US Centric TR	USD	TR	0%	100%	8%	BNPIMUTR	MUTR
Global Optimal Index ER	EUR	ER	-100%	100%	10%	ENHAGLOB	MMSE2ER
New Frontier 8 Europe TR	EUR	TR	0%	100%	8%	BNPINF8T	NF8TR
New Frontier 8 Europe ER	EUR	ER	0%	100%	8%	BNPINF8E	NF8ER
Millenium 10 EUR Serie 1 TR	EUR	TR	0%	100%	10%	BNPIMV1T	MITR
BNP Paribas Millenium Master Series 6 EUR ER	EUR	ER	0%	100%	10%	BNPIM6EE	M6EEER
BNP Paribas Millenium Master Series 12 EUR ER	EUR	ER	0%	100%	12%	BNPIM12E	M12EER
Millenium Finance ER	EUR	ER	0%	100%	10%	BNPIMFFT	MFER
BNP Paribas Millenium Diversified vol 4 EUR ER Index ER	EUR	ER	0%	150%	4%	BNPIMD4E	MD4EER
BNP Paribas Millenium Diversified EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIMDEE	MDEEER
Zurich Multi Asset Inflation Strategy Index ER	CHF	ER	0%	100%	10%	BNPIZMI6	ZMI6ER
BNP Paribas Emerging Plus (HUF Hedged) ER index ER	HUF	ER	0%	100%	10%	BNPIEGHE	EGHEER
BNP Paribas Emerging Plus (PLN Hedged) ER Index ER	PLN	ER	0	100%	10%	BNPIEPPE	EPPEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index ER	HUF	ER	n.a	n.a	n.a	BNPIDIHE	DIHEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index	HUF	ER	0	100%	10%	BNPIDIHE	DIHE
Millenium CIMB Master Series EUR ER	EUR	ER	0	100%	10%	CIMMILER	CIMV2ER
Cadiz Dynamic Global Opportunities Excess Return Index	EUR	ER	0	100%	10%	BNPICGOE	MV3EER
New Frontier 5 Social Europe TR	EUR	TR	0	100%	10%	BNPIN5SE	NF5SEER
World of Wealth Index	RUB	ER	0	300%	8%	ENHAWWIR	ENHAWWIRE R
BNP Paribas Balanced Allocation Index	EUR	TR	0	100%	7%	BNPIBAI	BNPIBAI
BNP Paribas Classic Allocation Index	EUR	TR	0	100%	10%	BNPICAI	BNPICAI
BNP Paribas Dynamic Allocation Index	EUR	TR	0	100%	18%	BNPIDAI	BNPIDAI

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
DFL AUD22VA Index	JPY	TR	0	400%	35%	None	DFL6TR
DFL JPY24VA Index	JPY	TR	0	400%	35%	BNPIDFL8	DFL8TR
BNP Paribas Multi-Asset Diversified vol 10 ER	EUR	ER	-0.33	100%	10%	BNPIMD10	MD10ER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx hedged Index	USD	ER	-0.33	100%	4%	BNPIMD4U	MD4U
BNP Paribas Multi-Asset Diversified USD Fx hedged Index	USD	ER	-0.33	100%	8%	BNPIMDUE	MDUE
BNP Paribas Multi-Asset Diversified vol 4 EUR Global Index	EUR	ER	0	150%	4.00%	BNPIMD4A	BNPIMD4A
BNP Paribas Multi-Asset Diversified vol 8 EUR Global Index	EUR	ER	0	300%	8.00%	BNPIMD8A	BNPIMD8A
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Global Index	USD	ER	0%	300%	8.00%	BNPID8UA	BNPID8UA
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Global Index	USD	ER	0%	150%	4.00%	BNPID4UA	BNPID4UA
BNP Paribas Millenium 10 EUR Serie 3 TR ex Agri	EUR	TR	0%	100%	10.00%	BNPIM3EA	MI3EA
BNP Paribas Multi-Asset Diversified EUR ex Agri	EUR	ER	0%	300%	8.00%	BNPIMD8X	BNPIMD8X
BNP Paribas Dynamic Opportunities EUR ER Index	EUR	ER	100%	100%	4.00%	BNPIDOEE	DOEE
BNP Paribas Dynamic Opportunities EUR TR Index	EUR	TR	100%	100%	4.00%	BNPIDOET	DOET
BNP Paribas MultiAsset D	EUR	TR	0%	100%	10.00%	BNPIMAD	MADTR
BNP Paribas MultiAsset A	EUR	ER	0%	100%	12.00%	BNPIMAA	MAATR
BNP Paribas MultiAsset M	EUR	ER	0%	100%	6.00%	BNPIMAM	MAMTR
Aurora Aggressive	EUR	TR	0%	100%	12.00%	BNPIAUAG	AUAGTR
Aurora Dynamic	EUR	TR	0%	100%	10.00%	BNPIAUDY	AUDYTR
Aurora Moderate	EUR	TR	0%	100%	6.00%	BNPIAUMO	AUMOTR
Multi-Asset Strategie	EUR	ER	0%	150%	5.00%	BNPIMAS	MASER
DFL NZD27VA Index	JPY	TR	0%	400%	35.00%	BNPIDFL9	DFL9TR
BNP Paribas Multi Asset Diversified 5 Index	USD	ER	0%	100%	5.00%	BNPIMAD5	BNPIMAD5
BNP Paribas Multi-Asset Diversified vol 8 EUR Future Index	EUR	ER	0%	300%	8.00%	BNPIMD8F	MD8FER
BNP Paribas Multi-Asset Diversified vol 4 EUR Future Index	EUR	ER	0%	150%	4.00%	BNPIMD4F	MD4F
BNP Paribas Multi-Asset Diversified vol 2 EUR Future Index	EUR	ER	0%	100%	2.00%	BNPIMD2F	MD2F
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Future Index	USD	ER	0%	300%	8.00%	BNPID8UF	D8UF
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Future Index	USD	ER	0%	150%	4.00%	BNPID4UF	D4UF
BNP Paribas Multi-Asset Diversified vol 2 USD Fx Hedged Future Index	USD	ER	0%	100%	2.00%	BNPID2UF	D2UF
BNP Paribas Multi-Asset Diversified vol 10 EUR Future Index	EUR	ER	0%	300%	10.00%	BNPID10F	D10F
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR TR	EUR	TR	100%	100%	4.00%	BNPIMDFT	MDFT
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR ER	EUR	ER	100%	100%	4.00%	BNPIMDFE	MDFE
BNP Paribas Multi-Asset Diversified vol 10 ER ex Agri	EUR	ER	0%	300%	10.00%	BNPIMDEA	MD10EAER
BNP Paribas Cross Asset Income Maximizer Vol 8 Index USD TR	USD	TR	0%	100%	8.00%	BNPIIM8U	M8U
BNP Paribas Cross Asset Income	USD	TR	0%	100%	4.00%	BNPIIM4U	M4U

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Maximizer Vol 4 Index USD TR							
BNP Paribas Cross Asset Income Maximizer Vol 8 Index EUR TR	EUR	TR	0%	100%	8.00%	BNPIIM8E	IM8E
BNP Paribas Cross Asset Income Maximizer Vol 4 Index EUR TR	EUR	TR	0%	100%	4.00%	BNPIIM4E	IM4E

## 7. Platinum Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional basket of Index Components which are a diversified portfolio of BNP Paribas proprietary indices. Each Index Component implements an absolute return strategy, which is diversified and uncorrelated to the strategies implemented by other Index Components and each Index Component is chosen to represent a different asset class (Commodities, Volatility, Foreign Exchange and Equities, respectively).
2	Description of the process of selecting components weighting factors	The Index Methodology is comprised of an equally weighted basket of the Index Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	<b>Frequency review</b>	Daily
7	<b>Type of index</b>	All Indices listed in the table below are part of the Platinum Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Platinum Asia Index USD ER	USD	ER	0%	150%	3%	BNPIPAUE	PAUEER
Platinum EUR ER	EUR	ER	0%	200%	3%	BNPITEER	TEER
Platinum 2 EUR ER	EUR	ER	0%	150%	3%	BNPIZEER	TE2ER
Platinum USD ER	USD	ER	0%	200%	3%	BNPITUER	TUER
Platinum 2 FX hedge PLN ER	PLN	ER	0%	150%	3%	BNPIZPER	TP2ER
Platinum 2 FX hedge CZK ER	CZK	ER	0%	150%	3%	BNPIZCER	TC2ER
BNP Paribas Maars	EUR	ER	0%	100%	5%	BNPIMAE	MAEER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Index EUR ER							
BNP Paribas Maars Fx hedged USD ER Index ER	USD	ER	0%	100%	5%	BNPIMAFU	MAFUER
BNP Paribas Maars 2 EUR ER Index ER	EUR	ER	0%	100%	5%	BNPIMAE2	MAE2ER
Platinum HUF ER	HUF	ER	0%	200%	3%	BNPITHER	THER
Platinum 3 EUR ER	EUR	ER	0%	150%	3%	BNPIP3EE	TE3ER
BNP Paribas platinum 3 FX hedge USD ER	USD	ER	0%	150%	3%	BNPIP3UE	TU3ER
BNP Paribas platinum 3 HUF fx-hedged Index ER	HUF	ER	0%	150%	3%	BNPIP3HE	TH3ER
BNP Paribas Platinum Index Series 4 EUR ER	EUR	ER	0%	150%	3%	BNPIP4EE	P4EEER
BNP Paribas Platinum 3 Extended GBP Index ER	GBP	ER	0%	150%	3%	BNPIP3GX	P3GXER
BNP Paribas Platinum 3 Extended USD Index ER	USD	ER	0%	150%	3%	BNPIP3EX	P3EXER
BNP Paribas Platinum Index Series 4 ER USD Hedged ER	USD	ER	0%	150%	3%	BNPIP4UE	P4UER
BNP Paribas Platinum Index Series 4 GBP Hedged ER	EUR	ER	0%	150%	3%	BNPIP4GE	P4GEER
BNP Paribas Quatrum PLN hedged ER Index	PLN	ER	0%	150%	3%	BNPIP3PE	TUPER
BNP Paribas Platinum 5 USD ER	USD	ER	-	100%	4%	BNPIP5UE	P5UEER
BNP Paribas Platinum 5 ex-Agri USD ER	USD	ER	0%	100%	4.00%	BNPIP5UA	P5UAER

## 8. Harbour Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long only basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk
3	<b>Methods and formulae of calculation</b>	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	<b>Index Calculation Agent</b>	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	<b>Adjustment rules</b>	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of

		the Prospectus Directive.
6	<b>Frequency review</b>	Daily
7	<b>Type of index</b>	All Indices listed in the table below are part of the Harbour Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Minimum Exposure	Maximum Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Harbor vol 4 EUR Index ER	EUR	ER	0%	150%	4%	BNPIH4EE	H4EEER
BNP Paribas Harbor EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIHBEE	HBEER
BNP Paribas Harbourvol 4 USD Fx Hedged ER Index ER	EUR	ER	0%	150%	4%	BNPIH4UE	H4UER
BNP Paribas Harbour USD Fx Hedged ER Index ER	EUR	ER	0%	300%	8%	BNPIHBUE	HBUER
BNP Paribas Alpha Beta AUD TR Index	AUD	TR	0%	300%	15.00%	BNPIMLJ1	MLJ1
BNP Paribas Risk Off Futures Index	EUR	ER	0%	250%	8.00%	BNPIROFE	ROFE
BNP Paribas Alpha Beta USD TR Index	USD	TR	0%	300%	15.00%	BNPIMLJ2	MLJ2

## 9. Flexinvest Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a long only dynamic basket composed of a risky asset ("Risky Asset"), a deleverage asset ("Deleverage Asset") and money market assets
2	Description of the process of selecting components weighting factors	The respective weights of the component are determined by the Index Calculation Agent using the relative value of the Risky Asset to a set of its moving averages, and the volatility of the Risky Asset and/or Deleverage Asset.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Flexinvest Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

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Index Name	Currency	Cash Kind	Risky Asset	Deleverage Asset	Bloomberg Code	Cinergy Code
Flex Invest Europe ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas EUR 5Y Futures Index	BNPIFLEU	FLEUER
Smart Trend HSCEI Excess return Index ER	USD	ER	BNP Paribas China Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPISTHK	STHKER
Flex Invest US ER	USD	ER	BNP Paribas US Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPIFLUS	FLUSER
Flex Invest BRIC ER	USD	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBR	FLBRER
BNP Paribas Flex Invest BRIC (EUR hedged) ER	EUR	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPISHBR	SHBRER
Taurus FlexInvest Index ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPITSFE	TSFEER
PBS Flexinvest Asia Index ER	USD	ER	Basket of 7 Asian future indexes	BNP Paribas USD 5Y Futures Index	PBSDFLAS	PBSDFLER
BNP Paribas Libra Emerging Markets PLN Index ER	PLN	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEP	FLEPER
BNP Paribas Emerging Markets RAPID CZK ER Index ER	CZK	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEC	FLECER
BNP Paribas Emerging Markets EUR ER Index ER	EUR	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEE	FLEER
BNP Paribas Flex Invest BRIC (PLN hedged) ER	PLN	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBP	FLBPER
BNP Paribas Flex Invest BRIC (HUF hedged) ER	HUF	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBH	FLBHER
BNP Paribas Smart Trend Gold Index ER	USD	ER	Gold	n.a	BNPIFLGC	FLGCER

## 10. Volatility Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide a positive exposure ("Long") or positive and negative exposure ("Long /Short") or short exposure ("Short") to volatility through instruments of different kinds ("Instrument Kind") that can be Future Contract ("Future") or Option Contract ("Option") or Index ("Index").
2	Description of the process of selecting components weighting factors	Index dependant
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Volatility Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Enhanced Volatility Strategy Index ER	USD	ER	Long	Future	CBOE SPX Volatility Index	BNPIVIX	VIXER
Classical Evolution Europe EUR ER	EUR	ER	Short	Index	Euro Stoxx 50 Volatility Index VStoxx	BNPICEEE	CEEER
BNP Paribas Evolution Variance Euro Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEOEE	EOEER
SMARTVOL US Series TR	USD	TR	Long	Future	CBOE SPX Volatility Index	BNPISVUS	SVUTR
BNP Paribas Enhanced Long Short Volatility Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVXLS	VXLSER
BNP Paribas Enhanced Volatility Long Short 50 Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVX50	VX50ER
BNP Paribas Volatility Arbitrage US ER Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVALS	VALSNER
BNP Paribas Enhanced Medium Term Vix Futures Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIEMTV	EMTVER
BNP Paribas Enhanced Short Term VIX Futures Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIESTV	ESTVER
Evolution Advanced TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEVET	EVETNTR
BNP Paribas US Variance Replication Next Mar USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURNM	URNMTR
BNP Paribas US Variance Replication First of Quarter USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURFQ	URFQTR
BNP Paribas US Variance Replication Second of Quarter USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURSQ	URSQTR
BNP Paribas US Variance Replication Next Sep USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURNS	URNSTR
BNP Paribas Eurozone Variance Replication First of Quarter EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIERFQ	EVRFQTR
BNP Paribas Eurozone Variance Replication Second of Quarter EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIERSQ	EVRSQTR
BNP Paribas Eurozone Variance Replication Next Mar EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIERNM	EVRNMT R
BNP Paribas Eurozone Variance Replication Next Sep EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIERNS	EVRNSTR
BNP PARIBAS DYNAMIC ROLLING 1YATMF	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDSYE	DSYER

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
STRADDLE EURO ER Index ER							
BNP PARIBAS DYNAMIC ROLLING 1YATMF STRADDLE US ER Index ER	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDSYU	DSYUER
BNP PARIBAS E-volution Variance Repli US Excess Return Index ER	USD	ER	Short	Option	S&P 500 INDEX	BNPIEOUE	EOUER
BNP PARIBAS E-volution Variance Repli EU Excess Return Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORE	EORER
BNP Paribas Eurozone Variance Replication Second of Quarter Short EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIESSQ	EVSSQTR
BNP Paribas Eurozone Variance Replication First of Quarter Short EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIESFQ	EVSFQTR
BNP Paribas Eurozone Variance Replication Next Mar Short EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIESNM	EVSNMTR
BNP Paribas Eurozone Variance Replication Next Sep Short EUR TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIESNS	EVSNSTR
BNP Paribas US Variance Replication Second of Quarter Short USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIUSSQ	USSQTR
BNP Paribas US Variance Replication First of Quarter Short USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIUSFQ	USFQTR
BNP Paribas US Variance Replication Next Mar Short USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIUSNM	USNMTR
BNP Paribas US Variance Replication Next Sep Short USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIUSNS	USNSTR
BNP Paribas Rolling Put Europe 3M 95 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE4	RPE4TR
BNP Paribas Rolling Put Europe 3M 100 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE3	RPE3TR
BBNP Paribas Rolling Put Europe 1Y 90 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE2	RPE2TR
BNP Paribas Rolling Put Europe 1Y 100 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE1	RPE1TR
BNP Paribas US Variance Replication Jun 12 USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURM2	URM2TR
BNP Paribas Europe 1Y Volatility TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIV1EU	V1EUTR
E_volution Advanced ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEVEE	EVAER
BNP Paribas Enhanced Volatility FX Hedged EUR Index TR	EUR	TR	Long	Future	CBOE SPX Volatility Index	BNPIVXET	VXETTR
BNP Paribas Inverse US Volatility Balanced Hedged in EUR TR TR	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVXVI	VXVITR
BNP PARIBAS Rolling 1Y ATMF	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEA	YEATR

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
Straddle Euro Total Return Ask Index TR							
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Bid Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEB	YEBTR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Ask Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUA	YUATR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Bid Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUB	YUBTR
BNP PARIBAS E-volution Variance Repli EU Total Return Index TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORT	EORTTR
BNP PARIBAS E-Volution Variance Repli US Total Return Index TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIEOUT	EOUTTR
BNP Paribas US Variance Replication Jun 12 Short USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIUSM2	USM2TR
BNP Paribas Vol Edge Term Structure Strategy index ER	EUR	ER	Long/Short	Option + Future	DJ Euro Stoxx 50 Index	BNPIVETS	VOLEER
BNP Paribas Europe 1Y Volatility for Short TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIVIES	VIESTR
BNP Paribas US 1Y Volatility TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIV1UA	V1UATR
BNP Paribas US 1Y Volatility for Short TR	US	TR	Short	Option	S&P 500 INDEX	BNPIV1UB	V1UBTR
BNP Paribas Short European Volatility Index EUR ER ER	EUR	ER	Short	Future	VSTOXX Index	BNPISVXE	SVXEER
BNP Paribas Short European Volatility Index EUR TR TR	EUR	TR	Short	Future	VSTOXX Index	BNPISVXT	SVXTTR
BNP Paribas Long European Volatility Index EUR TR TR	EUR	TR	Long	Future	VSTOXX Index	BNPIVXTR	VXTR
Inav on BNP Paribas Long European Volatility Index EUR TR TR	EUR	TR	Long	Future	VSTOXX Index	BNPIVXTI	VXTITR
BNP Paribas EU Volatility Futures 1 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX1	VXX11ER
BNP Paribas EU Volatility Futures 2 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX2	VXX21ER
BNP Paribas EU Volatility Futures 3 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX3	VXX31ER
BNP Paribas EU Volatility Futures 4 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX4	VXX4ER
BNP Paribas EU Volatility Futures 5 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX5	VXX51ER
BNP Paribas Dynamic Volatility 1YATMF Euro ER Index	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDS1E	DS1E1ER
BNP Paribas Dynamic Volatility 1YATMF US ER Index	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDS1U	DS1U1ER
BNP Paribas E-volution Variance	USD	ER	Long	Option	DJ Euro Stoxx 50 Index	BNPIEORU	EORUER

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
Repli EU ER USD Index							
BNP Paribas Europe Rolling Call Delta 20 Index	EUR	ER	Long	Option	DJ Euro Stoxx 50 Index	BNPIERCD	ERCDER
BNP Paribas Enhanced Volatility Protection ER Index	USD	ER	Long	Future	VIX	BNPIEVPO	EVPO8ER
BNP Paribas Volatility EU Futures Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIFVXX	FVXXER
BNP Paribas Rolling Options Eurozone Leverage 3 TR	EUR	TR	Long	Index/Option	DJ Euro Stoxx 50 Index	BNPIROE3	ROE3TR
BNP Paribas Rolling Options Eurozone Leverage 5 TR	EUR	TR	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIROE5	ROE5TR
BNP Paribas Rolling Put UK 1Y 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPU1	RPU1TR
BNP Paribas Rolling Put UK 1Y 90 TR	GBP	TR	Long	Option	FTSE	BNPIRPU2	RPU2TR
BNP Paribas Rolling Put UK 3M 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPU3	RPU3TR
BNP Paribas Rolling Put UK 3M 95 TR	GBP	TR	Long	Option	FTSE	BNPIRPU4	RPU4TR
BNP Paribas US Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX/ S&P 500 INDEX	BNPIUEDV	UEDVTR
BNP Paribas World ex Japan Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX	BNPIWEDV	WEDVTR
BNP Paribas Eurozone Variance Replication Dec 14 EUR TR	EUR	TR	Long	Option	S&P 500 INDEX	BNPIERZ4	Z41TR
BNP Paribas Protection B25 TR Index	EUR	TR	Long/Short	Options	Eurostoxx 50 Options	BNPIPB25	PB25TR
BNP Paribas US Volatility Dynamic Short controlled ETN	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVMRI	VMRITR
BNP Paribas Volatility Mean Reversion US	USD	ER	Short	Future	CBOE SPX Volatility Index	BNPIVMRU	VMRUER
BNP Paribas Short Variance Crude Oil Daily VG2 Index	USD	ER	Short	Option + Future	NYMEX WTI	BNPIVT2D	VT2DER
BNP Paribas Short Variance Brent Daily VG2 Index	USD	ER	Short	Option + Future	ICE BRENT	BNPIVB2D	VB2DER
BNP Paribas Short Variance Gold 2 Daily VG2 Index	USD	ER	Short	Option + Future	COMEX GOLD	BNPIVG2D	BNPIVG2DER
BNP Paribas Commodity Short Variance VCXA ER Index	USD	ER	Short	Option + Future	BNPP Short Variance Crude Oil Daily VG2 Index, BNPP Short Variance Natural Gas Daily VG2 Index, BNPB Short Variance Gold 2 Daily VG2 Index, BNPP Short Variance Silver 2 Daily VG2 Index, BNPP Short Straddle Copper LME Daily VG2 Index, BNPP Short Straddle Aluminium LME Daily VG2 Index	BNPICVXA	CVXAER
BNP Paribas Commodity Strategy	USD	ER	Short	Option + Future	BNPP Short Variance RC Crude Oil Daily	BNPIVRXA	VRXAER

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
VRXA ER Index					VG2 Index, BNPP Short Variance RC Brent Daily VG2 Index, BNPP Short Variance RC Natural Gas Daily VG2 Index, BNPP Short Variance RC Gold 2 Daily VG2 Index, BNPP Short Variance RC Silver 2 Daily VG2 Index, BNPP Short Straddle RC Copper LME Daily VG2 Index, BNPP Short Straddle RC Aluminium LME Daily VG2 Index		

11. Buy Write Indices: Systematic Sales of Options

1	Index strategy, investment policy, objective of the Index	The objective of each Index is either (i) to generate long-term performance similar to the Reference Instrument with lower volatility by taking a long position on the Reference Instrument while selling call options on the Reference Instrument or a benchmark to generate regular income during bearish market phases ("Buy Write" strategy), either (ii) to generate income during bearish market phases by selling call options on the Reference Instrument ("Alpha Buy Write" strategy).
2	Description of the process of selecting components weighting factors	Index dependant
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Buy Write Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Instrument	Strategy	Bloomberg Code	Cinergy Code
BNP Paribas Buy Write 103 JP Total Return	EUR	TR	Nikkei 225 Index	Buy-Write	BNPIBWJ3	BWJ3TR

Index Name	Currency	Cash Kind	Reference Instrument	Strategy	Bloomberg Code	Cinergy Code
BNP Paribas Rules-Based Overwrite Index Always USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOA	RBOANTR
Buy-Write Europe EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWEU	BWEUTR
Buy-Write SX5E 103 EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWE4	BWE4TR
BNP PARIBAS Buy Write 103 US Total Return	EUR	TR	S&P 500 Index	Buy-Write	BNPIBWU6	BWU6TR
BNP PARIBAS ALPHA BUY WRITE 103 EUR TR INDEX	EUR	TR	DJ Euro Stoxx 50 Index	Alpha Buy-Write	BNPIAWE3	AWE3TR
BNP Paribas Alpha Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Alpha Buy-Write	BNPIAWU3	AWU3TR
Rule Based Overwriting Index USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOI	RBOINTR
BNP Paribas Rules-Based Overwrite Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIRBOE	RBOENTR
BNP Paribas Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Buy-Write	BNPIBW4U	BW4UTR
BNP Paribas Maximum Income Equity Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIMIET	MIETTR
PGDF Vente de calls US 102 98 ER	EUR	ER	S&P 500 Index	Buy-Write	BNPIPGUS	PGDFUSDER
PGDF Vente de calls Europe 102 98 ER	EUR	ER	DJ Euro Stoxx 50 Index	Buy-Write	BNPIPGEU	PGDFEURER
PGDF Vente de calls UK 102 98 TR	EUR	ER	FTSE100	Buy-Write	BNPIPGUK	PGDFGBPTR
BNP PARIBAS Dynamic Call Write Leverage 3 EUR TR Index	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPICWE3	CWE3TR
BNP Paribas Enhanced Buy Write SW Total Return Index TR	CHF	TR	SMI Index	Buy-Write	BNPIBWSW	BWSWTR
BNP Paribas UK Enhanced Income Buy Write Index	GBP	TR	FTSE100	Buy-Write	BNPIBWIK	IBWIKTR
BNP Paribas US Enhanced Income Buy Write Index	USD	TR	S&P 500 Index	Buy-Write	BNPIBWU7	IBWU7TR
BNP Paribas Option Vector HK Index	HKD	TR	HengSeng Index	Buy-Write	BNPIOVHK	OVHKTR
BNP Paribas UK Roll Call 103 Total Return TR	GBP	TR	FTSE100	Alpha Buy-Write	BNPIRCU3	RCU3TR
BNP Paribas Buy-Write Gold Index	USD	ER	COMEX GOLD	Buy-Write	BNPIBWGC	BNPIBWGCER

## 12. Alternative Strategy Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to deliver positive absolute return independently of market conditions.
2	Description of the process of selecting components weighting factors	Weighting is based on different Price based indicators
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as

		such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Alternative Strategy Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Strategy applied by Reference Instruments	Bloomberg Code	Cinergy Code
BNP Paribas Equity Extremum Reversion Risk Premia EUR Index	EUR	ER	Fixed Exposure Indices	BNPIERP	IEERP

### 13. Optimiser Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a long or short exposure to the performance of a specific reference instrument, usually an index (the "Reference Instrument"), by identifying medium or short term trends of the Reference Instrument, and based on its realized performances and realized volatilities, in order to take long or short position on the Reference Instrument
2	Description of the process of selecting components weighting factors	Realized performances and realized volatilities
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Optimiser Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Instrument	Target volatility	Bloomberg Code	Cinergy Code
BNP Paribas Australia Optimiser Long 10 ER Index ER	AUD	ER	S&P/ASX 200 INDEX	10%	BNPIOA10	OA10ER
BNP Paribas Australia Optimiser Long 20 ER Index ER	AUD	ER	S&P/ASX 200 INDEX	20%	BNPIOA20	OA20ER

Index Name	Currency	Cash Kind	Reference Instrument	Target volatility	Bloomberg Code	Cinergy Code
BNP Paribas China Optimiser Long 10 ER Index ER	HKD	ER	HANG SENG CHINA ENT INDX	10%	BNPIOC10	COL10ER
BNP Paribas China Optimiser Long 20 ER Index ER	HKD	ER	HANG SENG CHINA ENT INDX	20%	BNPIOC20	COL20ER
BNP Paribas Hong-Kong Optimiser Long 10 ER Index ER	HKD	ER	HANG SENG INDEX	10%	BNPIOH10	OH10ER
BNP Paribas Hong-Kong Optimiser Long 20 ER Index ER	HKD	ER	HANG SENG INDEX	20%	BNPIOH20	OH20ER
BNP Paribas India Optimiser Long 10 ER Index ER	USD	ER	NSE CNX NIFTY INDEX	10%	BNPIOI10	OI10ER
BNP Paribas India Optimiser Long 20 ER Index ER	USD	ER	NSE CNX NIFTY INDEX	20%	BNPIOI20	OI20ER
BNP Paribas Japan Optimiser Long 10 ER Index ER	JPY	ER	NIKKEI 225	10%	BNPIOJ10	OJ10ER
BNP Paribas Japan Optimiser Long 20 ER Index ER	JPY	ER	NIKKEI 225	20%	BNPIOJ20	OJ20ER
BNP Paribas Korea Optimiser Long 10 ER Index ER	KRW	ER	KOSPI 200 INDEX	10%	BNPIOK10	OK10ER
BNP Paribas Korea Optimiser Long 20 ER Index ER	KRW	ER	KOSPI 200 INDEX	20%	BNPIOK20	OK20ER
BNP Paribas Malaysia Optimiser Long 10 ER Index ER	MYR	ER	FTSE Bursa Malaysia KLCI	10%	BNPIOM10	OM10ER
BNP Paribas Malaysia Optimiser Long 20 ER Index ER	MYR	ER	FTSE Bursa Malaysia KLCI	20%	BNPIOM20	OM20ER
BNP Paribas Singapore Optimiser Long 10 ER Index ER	SGD	ER	MSCI SINGAPORE FREE	10%	BNPIOS10	OS10ER
BNP Paribas Singapore Optimiser Long 20 ER Index ER	SGD	ER	MSCI SINGAPORE FREE	20%	BNPIOS20	OS20ER
BNP Paribas Taiwan Optimiser Long 10 ER Index ER	USD	ER	MSCI TAIWAN	10%	BNPIOT10	OT10ER
BNP Paribas Taiwan Optimiser Long 20 ER Index ER	USD	ER	MSCI TAIWAN	20%	BNPIOT20	OT20ER

#### 14. Liberty Indices

1	<b>Index strategy, investment policy, objective of the Index</b>	The objective of each Index is to provide synthetic long or long/short exposure to the performance of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index Component Types. Each Series is maintained, calculated and rebalanced by the Index Calculation Agent following recommendations provided by an Index investment advisor (the "Index Investment Advisor") in collaboration with the Index Sponsor in accordance with the Index Methodology
2	<b>Description of the process of selecting components weighting factors</b>	Index investment advisor (the "Index Investment Advisor") in collaboration with the Index Sponsor in accordance with the Index Methodology
3	<b>Methods and formulae of calculation</b>	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	<b>Index Calculation Agent</b>	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").

5	<b>Adjustment rules</b>	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	<b>Frequency review</b>	At the hand of the Index investment advisor
7	<b>Type of index</b>	All Indices listed in the table below are part of the Liberty Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Index Investment Advisor	Bloomberg Code	Cinergy Code
BNP Paribas FundQuest Select Core Asset Vol 6 EUR ER	EUR	ER	Fund Quest	BNPIFCA6	FCA6ER
BPI-Philam Asia Growth Index ER	PHP	ER	BPI-Philam	ENHABAGI	ENHABAGIER
BPI-Philam Philippine Growth Index ER	USD	ER	BPI-Philam	ENHABPGI	HABPGIER
Fortis Investment Sigma Best Selection World EU PR	EUR	PR	BNP Paribas IP	FISBSWEP	SWEPR
Sigma SRI World V10 Index EUR PR	EUR	PR	BNP Paribas IP	BIPSSW1P	SSWPR
Cardif Liberty Action EUR ER Index	EUR	ER	Cardif	BNPICDLA	CDLAER
Noble Funds Global Perspective Index	PLN	ER	Noble Funds	ENHANFGP	ENHANFGPER
EFG AM Optimized Income Strategy	USD	ER	Mutual Fund	ENHAEFIS	ENHAEFISER
BPI-Philam Asia Growth 2 Index ER	PHP	ER	BPI-Philam	ENHABAG2	ENHABAG2ER
Phil-China Equity Index USD	USD	ER	BPI-Philam	ENHAPHCE	ENHAPHCEER
Flexible Vol Max 4.5	EUR	TR	Lazard Frères Gestion	ENHALFVM	LFVMTR
Cardif Liberty Rolling Put EUR TR Index	EUR	TR	Cardif	BNPICDLP	CDLPTR
BNP Pariba AL-4U Index	EUR	TR	BNP Paribas Wealth Management	BNPIAL4U	AL4UTR
BNP Pariba AL-4U Index ER	EUR	ER	BNP Paribas Wealth Management	BNPIEV4U	EV4UER
Flexible Vol Max 7.5	EUR	TR	Lazard Frères Gestion	ENHALFV2	LFV2TR
Newcits Funds Index	EUR	ER	KBL European Private Bankers S.A.	ENHAKBLE	KBLEER
E-cerTiFicates Index	EUR	TR	None	BNPIECTF	ECTFTR
BNP Paribas Global Fund Composite Index	EUR	TR	Banca Popolare di Milano S.c.a.r.l.	BNPIGFCI	GFCITR
BNP New Technology TR	USD	TR	None	BNPINTTU	NTUTR
Flexible 5 Vol Max 3.5%	EUR	TR	Lazard Frères Gestion	ENHALFV5	LFV5

## 15. Alternative Synthetic Tracker Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide synthetic exposure to the performance of a notional basket of various Index Component Types which are rebalanced on a regular basis with the objective of replicating a long or short position in the global hedge fund industry. The index aims at tracking this exposure by using a dynamic allocation between liquid major market indices. The Hedge Funds industry performance will be represented by a benchmark and the objective of the index will be to minimize the expected tracking error versus this benchmark
2	Description of the process of selecting components weighting	The rebalancing will be conducted based on a "tracking" algorithm which aims at optimizing the long replication of the benchmark on an

	factors	"ex ante" basis
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the Alternative Synthetic Tracker Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Name	Currency	Cash Kind	Bloomberg Code	Cinergy Code
BNP Paribas Alternative Synthetic Short Tracker EUR Excess Return Index	EUR	ER	BNPIASRE	ASREER
BNP Paribas Alternative Synthetic Short Tracker EUR Total Return Index	EUR	TR	BNPIASET	ASETER
BNP Paribas Alternative Synthetic Short Tracker Excess Return Index	USD	ER	BNPIASDE	ASDEER
BNP Paribas Alternative Synthetic Tracker (ALSSTAR) Index TR	USD	TR	BNPIAS	ALSSTTR
BNP Paribas Alternative Synthetic Tracker (ALSTAR) Index TR	USD	TR	BNPIAT	ALSTTR
BNP Paribas Alternative Synthetic Tracker EUR Index TR	EUR	TR	BNPIATET	ATETR
BNP Paribas Alternative Synthetic Tracker Excess Return Index	USD	ER	BNPIATUE	ATUEER
BNP Paribas Alternative Synthetic Tracker Isovol EUR Total Return Index	EUR	TR	BNPIATEI	ATEITR

## 16. Daily Weekly Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index (Dynamic or Fixed) is to monetize the mean reversion of returns of equity futures on a specific index ("Reference Index"). The process is synthetically systematically getting long realized volatility computed with daily returns and short realized volatility computed with weekly returns
2	Description of the process of selecting components weighting factors	Achived through delta replication and subject to a maximum exposure of 200% and a minimum exposure of -200%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the

		"Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Daily Weekly Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Fixed/Dynamic	Bloomberg Code	Cinergy Code
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (dynamic rescale) ER	EUR	ER	Euro Stoxx 50	Dynamic	BNPIDWED	WEDER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) ER	EUR	ER	Euro Stoxx 50	Fixed	BNPIDWEF	WEFER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) TR	EUR	ER	Euro Stoxx 50	Fixed	BNPIDTEF	TEFTR
BNP Paribas Mean Reverting Daily Weekly US Strategy (dynamic rescale) ER	USD	ER	S&P 500 Index	Dynamic	BNPIDWUD	WUDER

## 17. Commodity Indices

### 17.1 Oscillator Indices

1	Index strategy, investment policy, objective of the Index	The Oscillator indices are a family of commodity indices, each comprised of commodity mono-indices, whose objective is to provide exposure to a diversified basket of up to 19 commodities. A so-called 'momentum' strategy is employed, which means that the strength of the price of each commodity compared to the market as a whole is taken into account when determining the daily weight of each commodity mono-index of which the index is comprised. Exposure to the commodity mono-indices is achieved by holding hedge positions in the futures contracts of which the mono-indices are comprised
2	Description of the process of selecting components weighting factors	The maximum weight of each commodity is 20%. In addition, the weighting of the indices in petroleum components (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) is limited to 35% in aggregate
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Index Component	Volatility Control	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Oscillator Commodities ER Core Index	USD	ER	Basket of S&P GSCI Dynamic Roll Commodity Mono-Indices	N/A	Markit	BNPMOCC E	MOCCEER
BNP Paribas Oscillator Commodities ER Index	USD	ER	Basket of Diapason Commodities Mono-Indices	11%	-	BNPIOSCE	OS CER
BNP Paribas Oscillator Commodities EUR Hedged ER Index	EUR	ER	Basket of Diapason Commodities Mono-Indices	11%	-	BNPIOSEE	OSEER

## 17.2 BNP Paribas Alpha Curve DR Index

The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index. The target weights of the index components of the enhanced index are derived from the weight of each commodity comprised in the Dow Jones-UBS Commodity ex-Precious Metals Index and are adjusted on a yearly basis to maintain the target weighting. If, on any day on which the index is calculated, the weight of any such commodity is observed to be greater than 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) is greater than 35% each, an additional reweighting of the enhanced index will be performed. This mechanism is designed to ensure that the index does not become too highly concentrated in any single commodity, or in the petroleum or soybean sectors. The number of index components in the enhanced index may be adjusted on a yearly basis, following any adjustment of the composition of the Dow Jones-UBS ex-Precious Metals Commodity Index.

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index
2	Description of the process of selecting components weighting factors	Weight of most commodities capped to 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) capped to 35%
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity

		specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Curve DR Index	USD	Cash Less	Dow Jones – UBS Commodity ex-Precious Metals Index	Solactive	BNPIDRAC	DRACER
BNP Paribas DR Alpha ex-Agriculture and Livestock Index	USD	Excess Return	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	Standard and Poor's	BNPIDRXA	DRXAER
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% Index	USD	Excess Return	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	-	BNPIDRX3	DRX3ER
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% EUR Index	EUR	Excess Return	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	-	BNPIDRXE	DRXE

### 17.3 BNP Paribas Alpha Backwardation Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Backwardation Index is to capture the outperformance of the commodities whose prices are the mostbackwardated by comparison to the commodity market as a whole. The index generates returns by taking long positions in the most backwardated commodities and short positions in the least backwardated commodities comprised in the Dow Jones-UBS Commodity Index, investing in various Dow Jones-UBS Mono Indices to do so.
2	Description of the process of selecting components weighting factors	The index allocation is determined from (i) daily monitoring of the forward curve shape of each commodity comprised in the Dow Jones-UBS Commodity Index and (ii) the weight of each such commodity. The target weights of the index components are calculated on a daily basis and are based on the relative degree of backwardation or contango of such index component. The maximum weight of any such commodity is 20% of the index (whether long or short) and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) may not exceed 35% each
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity

		specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Backwardation Index	USD	Cash Less	Dow Jones – UBS Commodity Index	Solactive	BNPIF3AB	F3ABER
BNP Paribas Alpha Backwardation ex-Agriculture and Livestock Index	USD	Excess Return	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	-	BNPINBXA	NBXAER

#### 17.4 BNP Paribas Alpha Momentum Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Momentum Index is to capture the outperformance of the recent best performing commodities comprised in the Dow Jones-UBS Commodity Index. Commodities which have underperformed the market are weighted negatively, while commodities which have outperformed the market are weighted positively, the weight of each commodity being proportional to its weight in the Dow Jones-UBS Commodity Index
2	Description of the process of selecting components weighting factors	The weights of each index component are calculated on a daily basis and the maximum weight of any such commodity is 20% of the index (whether long or short) and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) may not exceed 35% each (whether long or short).
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily

7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Momentum Index	USD	Cash Less	Dow Jones - UBS Commodity Index	Solactive	BNPIF3AM	F3AMER
BNP Paribas Alpha Momentum ex-Agriculture and Livestock Index	USD	Excess Return	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	-	BNPINMXA	NMXAER

### 17.5 BNP Paribas Strategy B51 Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Strategy B51 Index is to provide exposure to the commodity market enhanced by i) optimised investment in futures contracts determined according to the forward curve of the relevant commodity and ii) optimal allocation methodology based on price trends and forward curve shape observations
2	Description of the process of selecting components weighting factors	Weights of commodities that have recently outperformed the market or that present the most backwardated forward curves are increased, while weights of commodities that have recently underperformed the market or that present the least backwardated forward curves are decreased
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	<b>Frequency review</b>	Daily
7	<b>Type of index</b>	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy B51 Index	USD	Cash Less	Dow Jones – UBS Commodity Index	Solactive	BNPIB51P	B51PER

## 17.6 BNP Paribas Strategy C51 Index

1	Index strategy, investment policy, objective of the 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
2	Description of the process of selecting components weighting factors	The exposure to each commodity is achieved mainly through S&P GSCI Dynamic Roll indices, indices which are themselves invested in future contracts and which use a dynamic roll mechanism, taking into account the shape of the forward curve for the relevant commodity, to reduce the potentially negative effect of rolling futures contracts due to expire on the value of the index.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy C51 Index	USD	Cash Less	Dow Jones - UBS Commodity Index	Standard and Poor's	BNPIC51P	C51P2ER
BNP Paribas Strategy C52 Index	USD	Excess Return	Bloomberg Commodity ex-Precious Metals Index	Standard and Poor's	BNPIC52P	C52PER
BNP Paribas Strategy C52 10% Index	USD	Excess Return	BNP Paribas Strategy C52 Index	-	BNPIC52V	C52VER
BNP Paribas Strategy C52 10% EUR Index	EUR	Excess Return	BNP Paribas Strategy C52 Index	-	BNPIC5VE	C5VE

## 17.7 BNP Paribas Backwardation Momentum DR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Backwardation Momentum DR Alpha Index is to capture the return of a portfolio having a long position in an optimised basket of commodities and a short position in the DJUBS Commodity Index. The optimised basket is comprised of the same commodities as the DJUBS Commodity Index, but exposure to each commodity is made through investment in S&P Dynamic Roll Indices
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2	Description of the process of selecting components weighting factors	The weight of each commodity in the optimised follow a momentum mechanism that increases the weights of commodity which have recently outperformed the market, and a backwardation mechanism that increases the weights of commodity presenting the most downward sloping forward curves
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Backwardation Momentum DR Alpha Index	USD	Cash Less	Dow Jones – UBS Commodity Index	-	BNPIBMDA	BMDAER
BNP Paribas Backwardation Momentum DR Alpha 5% RUB Hedged Index	RUB	Cash Less	BNP Paribas Backwardation Momentum DR Alpha Index	-	BNPIBA5R	IBA5ER

#### 17.8 BNP Paribas Short ER and TR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Short ER and TR Indices is to provide short exposure to the associated Reference Index on either an excess or total return basis
2	Description of the process of selecting components weighting factors	The Indices contain an automatic rebalancing method, which rebalances each Index if the performance of the Reference Index, measured from the immediately preceding Automatic Index Rebalancing Date or the Index Start Date (where no Automatic Index Rebalancing Date has occurred), is greater than 65%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and

		sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Systematic
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Short Copper ER Index	USD	Excess Return	S&P GSCI Copper Official Close Index	-	BNPISLPE	BNPISLPEER
BNP Paribas Short Crude Oil ER Index	USD	Excess Return	S&P GSCI Crude Oil Official Close Index	-	BNPISCOE	BNPISCOEER

### CONNECTED THIRD PARTY INDICES

In respect of any Index which is specified in the applicable Final Terms to be a Connected Third Party Index:

- (a) the complete rules governing such Index and information about its performance are freely accessible on the relevant Issuer's or the relevant index provider's website; and
- (b) the governing rules of such Index (including the methodology for the selection and re-balancing of the components of the Index, description of market disruption events and adjustment rules (if any)) are based on pre-determined and objective criteria.

Where:

**"Connected Third Party Index"** means any Index provided by a legal entity or natural person acting in association with, or on behalf of, the Issuer and is specified as such in the applicable Final Terms.

## FORM OF THE BNPP GUARANTEE FOR UNSECURED NOTES

**THIS DEED OF GUARANTEE** is made on 10 June 2016 by BNP Paribas ("**BNPP**") in favour of the Noteholders and the Accountholders (each as defined below) (together, the "**Beneficiaries**").

### WHEREAS:

- (A) BNP Paribas Arbitrage Issuance B.V. ("**BNPP B.V.**"), BNPP and BNP Paribas Fortis Funding have established a Note, Warrant and Certificate Programme (the "**Programme**"). BNPP has authorised the giving of its irrevocable guarantee in relation to the unsecured notes issued by BNPP B.V. under the Programme (the "**Notes**").
- (B) BNPP and BNPP B.V. have, in relation to the notes issued under the Programme, entered into an Note Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 10 June 2016 between, *inter alios*, BNPP B.V., BNPP, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent.
- (C) BNPP, and BNPP B.V. have, *inter alia*, in relation to the notes issued under the Programme, executed a deed of covenant (as amended, supplemented and/or restated from time to time, the "**Deed of Covenant**").
- (D) BNPP has agreed to irrevocably guarantee the payment and delivery obligations from time to time of BNPP B.V. in respect of the Notes (which are not secured notes) and under the Deed of Covenant.
- (E) In respect of all Notes issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 9 June 2015 granted by the Guarantor in respect of Notes issued under the Programme.

**NOW THIS DEED WITNESSES** as follows:

### 1. Definitions and Interpretation

"**Accountholder**" means any accountholder or participant with a Clearing System which at the Relevant Date has credited to its securities account with such Clearing System one or more entries in respect of a Global Note issued by BNPP B.V., except for any Clearing System in its capacity as an accountholder of another Clearing System;

"**Clearing System**" means each of Euroclear and Clearstream, Luxembourg, and any other Clearing System specified in the relevant Final Terms;

"**Direct Rights**" means the rights referred to in Clause 2 of the Deed of Covenant;

"**Noteholder**" means, in relation to any Note, at any time the person who is the bearer of such Note;

"**person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal entity;

"**Relevant Date**" means, in relation to the payment of any sum or delivery of assets expressed to be payable or deliverable by BNPP B.V. in respect of a Note, whichever is the later of:

- (a) the date on which the payment or delivery in question first become due; and
- (b) if the full amount payable or deliverable has not been received by the Agent on or prior to such date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Terms defined in the Terms and Conditions of the Notes, as amended by the applicable Final Terms (the "**Conditions**") and/or the Agency Agreement and not otherwise defined in this Deed of Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Deed of Guarantee to

- (i) any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to Clause 2 of the Deed of Covenant; and
- (ii) any obligation of, or sums or amounts payable by, BNPP B.V. shall be construed to refer to in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the Guarantee itself is not the subject of such bail-in).

## **2. Guarantee**

Subject as provided below, BNPP hereby irrevocably and unconditionally guarantees:

- (a) to each Noteholder the due and punctual payment of all sums from time to time payable or performance of any other obligation by BNPP B.V. in respect of the Notes on the date specified for such payment or performance and accordingly undertakes to either (i) pay to such Noteholder, forthwith upon the demand of such Noteholder and in the manner and currency prescribed by the Conditions for payments by BNPP B.V. in respect of the Notes, any and every sum or sums which BNPP B.V. is at any time liable to pay in respect of the Notes and which BNPP B.V. has failed to pay or (ii) perform such other obligation for the benefit of such Noteholder which BNPP B.V. has failed to perform on the due date for such performance after a demand has been made on BNPP pursuant to Clause 10 hereof; and
- (b) to each Accountholder the due and punctual payment of all sums from time to time payable or performance of any other obligation by BNPP B.V. in respect of the Direct Rights on the date specified for such payment or performance and accordingly undertakes to either (i) pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by BNPP B.V. in respect of the Notes, any and every sum or sums which BNPP B.V. is at any time liable to pay in respect of the Notes and which BNPP B.V. has failed to pay or (ii) perform such other obligation for the benefit of the Accountholder which BNPP B.V. has failed to perform on the due date for such performance after a demand has been made on BNPP pursuant to Clause 10 hereof,

PROVIDED THAT in the case of Notes (other than Credit Notes) where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement if in the opinion of BNPP such delivery is not practicable by reason of (x) a Settlement Disruption Event (as defined in Condition 4(b)(i)(E)) or (y) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 4(b)(i)(F)), in lieu of such delivery BNPP will make payment in respect of each such Note of, in the case of (x) above, the Disruption Cash Redemption Amount (as defined in Condition 4(b)(i)(E)) or in the case of (y) above, the Failure to Deliver Redemption Amount (as defined in Condition 4(b)(i)(F)). Any payment of the Disruption Cash Redemption Amount or the Failure to Deliver Redemption Amount, as the case may be, in respect of a Note shall constitute a complete discharge of BNPP's obligations in respect of the delivery of the Relevant Assets affected by the Settlement Disruption Event or Failure to Deliver due to Illiquidity, as the case may be.

### **3. Taxation**

Unless the applicable Final Terms specify that Condition 6.4 is applicable to the Notes, the Guarantor covenants in favour of each Noteholder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 6.1. In particular, if in respect of any payment to be made under this Deed of Guarantee, any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature is payable, the Guarantor shall pay the additional amounts referred to in Condition 6.1, all subject to and in accordance with the provisions of Condition 6.1.

### **4. BNPP as Principal Obligor**

As between BNPP and each Beneficiary but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Deed of Guarantee as if it were the sole principal obligor and not merely a surety. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on BNPP B.V. or any other person for payment or performance of any other obligation in respect of any Note, (4) the enforcement or absence of enforcement of any Note or of any security or other guarantee or indemnity, (5) the taking, existence or release of any such security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (7) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

### **5. BNPP's Obligations Continuing**

BNPP's obligations under this Deed of Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Note. Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise and may be enforced without first having recourse to BNPP B.V., any other person, any security or any other guarantee or indemnity. BNPP irrevocably waives all notices and demands of any kind.

### **6. Status**

This Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with its all other present and future outstanding unsecured and unsubordinated obligations subject to such exceptions as may from time to time be mandatory under French law.

### **7. Exercise of BNPP's rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

### **8. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, any Noteholder is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPP and this Deed of Guarantee will continue to apply as if such payment or obligation had at all times remained owing due by BNPP B.V.

## **9. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees:

- (a) that any sum or obligation which, although expressed to be payable or deliverable under the Notes, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Noteholder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Noteholder on demand; and
- (b) as a primary obligation to indemnify each Beneficiary against any loss suffered by it as a result of any sum or obligation expressed to be payable or deliverable under the Notes not being paid or performed by the time, on the date and otherwise in the manner specified in the Notes or any obligation of BNPP B.V. under the Notes being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to BNPP B.V., BNPP or any Beneficiary), in the case of a payment obligation the amount of that loss being the amount expressed to be payable by BNPP B.V. in respect of the relevant sum,

PROVIDED THAT the proviso to Clause 2 of this Guarantee shall apply mutatis mutandis to this Clause 7.

## **10. Incorporation of Terms**

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

## **11. Deposit of Guarantee**

This Deed of Guarantee shall be deposited with and held by BNP Paribas Securities Services, Luxembourg for the benefit of the Beneficiaries.

## **12. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

## **13. Governing law**

This Deed of Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

## **14. Jurisdiction**

The courts of England shall have jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

## **15. Service of Process**

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Deed of Guarantee shall affect the right to serve process in any other manner permitted by law.

**16. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

Executed as a Deed

By BNP PARIBAS )  
acting by )  
acting under the authority )  
of that company )

**IN WITNESS** whereof this Deed of Guarantee has been executed and delivered by

BNP Paribas as a deed on the date first above-mentioned.

Witness's signature:

Name:

Address:

## FORM OF THE BNPP GUARANTEE FOR SECURED SECURITIES

**THIS DEED OF GUARANTEE is made on** 10 June 2016 by BNP Paribas ("**BNPP**") in favour of the Noteholders and the Accountholders (each as defined below) (together, the "**Beneficiaries**").

### WHEREAS:

- (A) BNP Paribas Arbitrage Issuance B.V. ("**BNPP B.V.**"), BNPP and BNP Paribas Fortis Funding have established a Note, Warrant and Certificate Programme (the "**Programme**"). BNPP has authorised the giving of its irrevocable guarantee in relation to secured notes issued by BNPP B.V. under the Programme (the "**Secured Securities**").
- (B) BNPP and BNPP B.V. have, in relation to the notes issued under the Programme, entered into an Note Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 10 June 2016 between, *inter alios*, BNPP B.V., BNPP, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent.
- (C) BNPP and BNPP B.V. have, *inter alia*, in relation to the notes issued under the Programme, executed a deed of covenant (as amended, supplemented and/or restated from time to time, the "**Deed of Covenant**").

**NOW THIS DEED WITNESSES** as follows:

### 1. Definitions and Interpretation

"**Accountholder**" means any accountholder or participant with a Clearing System which at the Relevant Date has credited to its securities account with such Clearing System one or more entries in respect of a Global Note issued by BNPP B.V., except for any Clearing System in its capacity as an accountholder of another Clearing System;

"**Clearing System**" means each of Euroclear and Clearstream, Luxembourg, and any other Clearing System specified in the relevant Final Terms;

"**Direct Rights**" means the rights referred to in Clause 2 of the Deed of Covenant but only to the extent of the Accountholders right to receive payment of the Shortfall following the occurrence of an Enforcement Event and the enforcement in respect of the relevant Collateral Pool and series of Secured Securities of the Security Agreements provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security and other Charged Assets relating to the relevant series of Secured Securities have been realised or liquidated in full in accordance with Collateral Security Condition 6.2 or where the Securities are Nominal Value Repack Securities, the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5, (iii) the Security Realised Amount is less than the Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 12 hereof and provided further than in no circumstances shall BNPP be obliged to pay an amount to a Holder in respect of a Secured Security under this Deed of Guarantee which is greater than the relevant Shortfall;

"**Nominal Value Repack Securities**" means Secured Securities in respect of which Part D of Annex 13 (*Additional Terms and Conditions for Secured Securities*) applies;

"**Noteholder**" means, in relation to any Note, at any time the person who is the bearer of such Note;

"**person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal entity;

"**Relevant Date**" means, in relation to the payment of any sum or delivery of assets expressed to be payable or deliverable by BNPP B.V. in respect of a Note, whichever is the later of:

- (a) the date on which the payment or delivery in question first become due; and
- (b) if the full amount payable or deliverable has not been received by the Agent on or prior to such date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Shortfall**" means the amount, following liquidation and realisation of the Collateral Assets in the relevant Collateral Pool, by which the amount paid (and/or deemed to be paid in the case of Nominal Value Repack Securities to which Physical Delivery of Collateral applies) to the Holder of the relevant Secured Security by, or on behalf of the Issuer, is less than the Security Termination Amount payable in respect of such Secured Security; and

"**Tax Jurisdiction**" means France or any political subdivision or any authority thereof or therein having power to tax;

Terms defined in the Terms and Conditions of the Notes, as amended by the applicable Final Terms (the "**Conditions**") and/or the Agency Agreement and not otherwise defined in this Deed of Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Deed of Guarantee to:

- (i) any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to Clause 2 of the Deed of Covenant; and
- (ii) any obligation of, or sums or amounts payable by, BNPP B.V. shall be construed to refer to in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the Guarantee itself is not the subject of such bail-in).

## 2. **Guarantee**

Subject as provided below, BNPP hereby irrevocably and unconditionally guarantees:

- (a) where the Secured Security is a Note to which one of Parts A, B or C of Annex 13 (Additional Terms and Conditions for Secured Securities) applies,
  - (i) to each Noteholder, that, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason BNPP B.V. does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 12 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Deed of Guarantee in respect of a Secured Security until the Collateral Assets in the

Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition 6.2. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security; and

- (ii) to each Accountholder, the due and punctual payment of the Shortfall by BNPP B.V. in respect of the Direct Rights on the date specified for such payment and accordingly undertakes to either pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by BNPP B.V. in respect of the Notes, which BNPP B.V. is at any time liable to pay in respect of the Notes and which BNPP B.V. has failed to pay on the due date for such payment, after a demand has been made on BNPP pursuant to Clause 12 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Deed of Guarantee in respect of such Direct Rights until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition 6.2. Payment of an amount equal to the Shortfall in respect of the relevant Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Direct Rights;

(b) where the Secured Security is a Nominal Value Repack Security:

- (i) to each Noteholder, that if following the occurrence of an Enforcement Event and enforcement of the Security Agreements in respect of the relevant Collateral Pool and series of Secured Securities, for any reason BNPP B.V. does not pay the Security Termination Amount and, or is not deemed to have paid the Calculated Security Termination Amount (where Physical Delivery of Collateral is applicable) in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 12 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Deed of Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security; and
- (ii) to each Accountholder, the due and punctual payment of the Shortfall by BNPP B.V. in respect of the Direct Rights on the date specified for such payment and accordingly undertakes to either pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by BNPP B.V. in respect of the Notes, which BNPP B.V. is at any time liable to pay in respect of the Notes and which BNPP B.V. has failed to pay on the due date for such payment, after a demand has been made on BNPP pursuant to Clause 12 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Deed of Guarantee in respect of such Direct Rights until the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5. Payment of an amount equal to the Shortfall in

respect of the relevant Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Direct Rights.

### **3. Taxation**

Unless the applicable Final Terms specify that Condition 6.3 is applicable to the Notes, if in respect of any payment to be made under this Deed of Guarantee, any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction is payable, the Guarantor shall pay, to the fullest extent permitted by law, pay such additional amount as may be necessary, in order that each Noteholder after deduction or withholding of such taxes, duties, assessments or governmental charges, will receive the full amount then due and payable under this Deed of Guarantee provided that no such additional amount shall be payable with respect to any payment to a Noteholder who is liable to such taxes, duties, assessments or governmental charges by reason of his being connected with the France other than by the mere holding of the Note, Receipt or Coupon.

### **4. BNPP as Principal Obligor**

As between BNPP and each Beneficiary but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Deed of Guarantee as if it were the sole principal obligor and not merely a surety provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2 or where the Securities are Nominal Value Repack Securities, the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5, (iii) the Security Realised Amount is less than the Security Termination Amount or, where the Secured Security is Nominal Value Repack Security and Physical Delivery of Collateral is applicable, the Security Realised Amount is less than the sum of (A) the Security Termination Amount and (B) the Calculated Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 12 hereof. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the taking, existence or release of any such security, guarantee or indemnity, (4) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (5) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

### **5. BNPP's Obligations Continuing**

BNPP's obligations under this Deed of Guarantee are and will remain in full force and effect by way of continuing security until no Shortfall remains payable under any Secured Security. Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise.

### **6. Status**

This Guarantee shall constitute direct, unconditional, irrevocable, unsubordinated and unsecured obligations of BNPP and ranks *pari passu* (subject to mandatorily preferred debts under applicable laws), equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of BNPP.

**7. Exercise of BNPP's rights**

So long as any sum remains payable under this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V.

**8. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, any Noteholder is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPP in respect of any relevant Shortfall and this Deed of Guarantee will continue to apply in respect of any relevant Shortfall as if such payment or obligation had at all times remained owing due by BNPP B.V.

**9. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees that any sum or obligation which, although expressed to be payable or deliverable under the Secured Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Noteholder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Noteholder on demand provided that provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2 or where the Securities are Nominal Value Repack Securities, the Collateral Assets in the Collateral Pool securing such Secured Security and any other Charged Assets relating to such series of Secured Securities have been realised or liquidated in full in the manner set out in Collateral Security Condition 7.2 and/or Collateral Security Condition 7.5, (iii) the Security Realised Amount is less than the Security Termination Amount or, where the Secured Security is Nominal Value Repack Security and Physical Delivery of Collateral is applicable, the Security Realised Amount is less than the sum of (A) the Security Termination Amount and (B) the Calculated Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 12 hereof and provided further than in no circumstances shall BNPP be obliged to pay an amount to a Holder in respect of a Secured Security under this Deed of Guarantee which is greater than the relevant Shortfall,

PROVIDED THAT the proviso to Clause 2 of this Guarantee shall apply mutatis mutandis to this Clause 9.

**10. Incorporation of Terms**

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

**11. Deposit of Guarantee**

This Deed of Guarantee shall be deposited with and held by BNP Paribas Securities Services, Luxembourg for the benefit of the Beneficiaries.

**12. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**13. Governing law**

This Deed of Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

**14. Jurisdiction**

The courts of England shall have jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

**15. Service of Process**

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Deed of Guarantee shall affect the right to serve process in any other manner permitted by law.

**16. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

Executed as a Deed

By BNP PARIBAS )  
acting by )  
acting under the authority )  
of that company )

**IN WITNESS** whereof this Deed of Guarantee has been executed and delivered by

BNP Paribas as a deed on the date first above-mentioned.

Witness's signature:

Name:

Address:

## FORM OF THE BNPPF NOTE GUARANTEE

**THIS DEED OF GUARANTEE** is made on 10 June 2016 by BNP Paribas Fortis SA/NV ("**BNPPF**") in favour of the Noteholders and the Accountholders (each as defined below) (together, the "**Beneficiaries**").

### WHEREAS:

- (A) BNP Paribas Fortis Funding ("**BP2F**"), BNP Paribas Arbitrage Issuance B.V. and BNP Paribas have established a Note, Warrant and Certificate Programme (the "**Programme**").
- (B) BNPPF has authorised the giving of its irrevocable guarantee in relation to the notes issued by BP2F under the Programme (the "**Notes**").
- (B) BP2F and BNPPF have, in relation to the notes issued under the Programme, entered into a Note Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 10 June 2016 between, *inter alia*, BP2F, BNPPF, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent.
- (C) BP2F and BNPPF, *inter alia*, have, in relation to the Notes issued under the Programme, executed a deed of covenant (as amended, supplemented and/or restated from time to time, the "**Deed of Covenant**").
- (D) BNPPF has agreed to irrevocably guarantee the payment and delivery obligations from time to time of BP2F in respect of the Notes and under the Deed of Covenant.
- (E) In respect of all Notes issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 9 June 2015 granted by the Guarantor in respect of Notes issued under the Programme.

**NOW THIS DEED WITNESSES** as follows:

### 1. Definitions and Interpretation

"**Accountholder**" means any accountholder or participant with a Clearing System which at the Relevant Date has credited to its securities account with such Clearing System one or more entries in respect of a Global Note issued by BP2F, except for any Clearing System in its capacity as an accountholder of another Clearing System;

"**Clearing System**" means each of Euroclear and Clearstream, Luxembourg, and any other Clearing System specified in the relevant Final Terms;

"**Direct Rights**" means the rights referred to in Clause 2 of the Deed of Covenant;

"**Noteholder**" means, in relation to any Note, at any time the person who is the bearer of such Note;

"**person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal entity;

"**Relevant Date**" means, in relation to the payment of any sum or delivery of assets expressed to be payable or deliverable by BP2F in respect of a Note, whichever is the later of:

- (i) the date on which the payment or delivery in question first become due; and

- (ii) if the full amount payable or deliverable has not been received by the Agent on or prior to such date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Terms defined in the Terms and Conditions of the Notes, as amended by the applicable Final Terms (the "**Conditions**") and/or the Agency Agreement and not otherwise defined in this Deed of Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Deed of Guarantee to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to Clause 2 of the Deed of Covenant.

## 2. **Guarantee**

Subject as provided below, BNPPF hereby irrevocably and unconditionally guarantees:

- (a) to each Noteholder the due and punctual payment of all sums from time to time payable or performance of any other obligation by BP2F in respect of the Notes on the date specified for such payment or performance and accordingly undertakes to either (i) pay to such Noteholder, forthwith upon the demand of such Noteholder and in the manner and currency prescribed by the Conditions for payments by BP2F in respect of the Notes, any and every sum or sums which BP2F is at any time liable to pay in respect of the Notes and which BP2F has failed to pay or (ii) perform such other obligation for the benefit of such Noteholder which BP2F has failed to perform on the due date for such performance after a demand has been made on BNPPF pursuant to Clause 10 hereof; and
- (b) to each Accountholder the due and punctual payment of all sums from time to time payable or performance of any other obligation by BP2F in respect of the Direct Rights on the date specified for such payment or performance and accordingly undertakes to either (i) pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by BP2F in respect of the Notes, any and every sum or sums which BP2F is at any time liable to pay in respect of the Notes and which BP2F has failed to pay or (ii) perform such other obligation for the benefit of the Accountholder which BP2F has failed to perform on the due date for such performance after a demand has been made on BNPPF pursuant to Clause 10 hereof,

PROVIDED THAT in the case of Notes (other than Credit Notes) where the obligations of BP2F which fall to be satisfied by BNPPF constitute the delivery of the Entitlement if in the opinion of BNPPF such delivery is not practicable by reason of (x) a Settlement Disruption Event (as defined in Condition 4(b)(i)(E)) or (y) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 4(b)(i)(F)), in lieu of such delivery BNPPF will make payment in respect of each such Note of, in the case of (x) above, the Disruption Cash Redemption Amount (as defined in Condition 4(b)(i)(E)) or in the case of (y) above, the Failure to Deliver Redemption Amount (as defined in Condition 4(b)(i)(F)). Any payment of the Disruption Cash Redemption Amount or the Failure to Deliver Redemption Amount, as the case may be, in respect of a Note shall constitute a complete discharge of BNPPF's obligations in respect of the delivery of the Relevant Assets affected by the Settlement Disruption Event or Failure to Deliver due to Illiquidity, as the case may be.

This Guarantee constitutes direct, unconditional, irrevocable, unsubordinated and unsecured obligations of the Guarantor and ranks *pari passu* (subject to mandatorily preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.

### **3. Taxation**

Unless the applicable Final Terms specify that Condition 6.4 is applicable to the Notes, BNPPF covenants in favour of each Noteholder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 6.2. In particular, if in respect of any payment to be made under this Guarantee, any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature is payable, BNPPF shall pay the additional amounts referred to in Condition 6.2, all subject to and in accordance with the provisions of Condition 6.2.

### **4. BNPPF as Principal Obligor**

As between BNPPF and each Beneficiary but without affecting BP2F's obligations, BNPPF will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BP2F or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on BP2F or any other person for payment or performance of any other obligation in respect of any Note, (4) the enforcement or absence of enforcement of any Note or of any security or other guarantee or indemnity, (5) the taking, existence or release of any such security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of BP2F or any other person, or (7) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BP2F's obligations under any of them).

### **5. BNPPF's Obligations Continuing**

BNPPF's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Note. Furthermore, those obligations of BNPPF are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPPF or otherwise and may be enforced without first having recourse to BNPP B.V., any other person, any security or any other guarantee or indemnity. BNPPF irrevocably waives all notices and demands of any kind.

### **6. Status**

This Guarantee is an unsubordinated and unsecured obligation of BNPPF and will rank *pari passu* with all its other present and future outstanding unsecured and unsubordinated obligations subject to such exceptions as may from time to time be mandatory under French law.

### **7. Exercise of BNPPF's rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPPF shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BP2F or to take the benefit of or enforce any security or other guarantee or indemnity.

### **8. Discharge by BP2F**

If any payment received by, or other obligation discharged to or to the order of, any Noteholder is, on the subsequent bankruptcy or insolvency of BP2F, avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPPF and this Deed of Guarantee will continue to apply as if such payment or obligation had at all times remained owing due by BP2F.

## 9. Indemnity

As a separate and alternative stipulation, BNPPF unconditionally and irrevocably agrees:

- (a) that any sum or obligation which, although expressed to be payable or deliverable under the Notes, is for any reason (whether or not now existing and whether or not now known or becoming known to BP2F, BNPPF or any Noteholder) not recoverable from BNPPF on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Noteholder on demand; and
- (b) as a primary obligation to indemnify each Beneficiary against any loss suffered by it as a result of any sum or obligation expressed to be payable or deliverable under the Notes not being paid or performed by the time, on the date and otherwise in the manner specified in the Notes or any obligation of BP2F under the Notes being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to BP2F, BNPPF or any Beneficiary), in the case of a payment obligation the amount of that loss being the amount expressed to be payable by BP2F in respect of the relevant sum,

PROVIDED THAT the proviso to Clause 2 of this Guarantee shall apply mutatis mutandis to this Clause 7.

## 10. Incorporation of Terms

BNPPF agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

## 11. Deposit of Guarantee

This Deed of Guarantee shall be deposited with and held by BNP Paribas Securities Services, Luxembourg for the benefit of the Beneficiaries.

## 12. Demand on BNPPF

Any demand hereunder shall be given in writing addressed to BNPPF served at its office at 1000 Brussels, Montagne du Parc 3. A demand so made shall be deemed to have been duly made two Brussels Business Days (as used herein, "**Brussels Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Brussels) after the day it was served or if it was served on a day that was not a Brussels Business Day or after 5.30 p.m. (Brussels time) on any day, the demand shall be deemed to be duly made two Brussels Business Days after the Brussels Business Day immediately following such day.

## 13. Governing law

This Deed of Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

## 14. Jurisdiction

The courts of England shall have jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith (a "**Dispute**").

## 15. Service of Process

BNPPF hereby appoints BNP Paribas, London branch, currently of 10 Harewood Avenue, London, NW1 6AA (Attention: the Loan Administration Department) as its agent to receive service of process in England in any

proceedings in England relating to this Guarantee. If for any reason such process agent ceases to act as such or no longer has an address in England, the Guarantor agrees to appoint a substitute process agent and to notify the Noteholders of such appointment. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

**16. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

Executed as a Deed

By BNP PARIBAS FORTIS SA/NV )  
acting by )  
acting under the authority )  
of that company )

**IN WITNESS** whereof this Deed of Guarantee has been executed and delivered by

BNP Paribas Fortis SA/NV as a deed on the date first above-mentioned.

Witness's signature:

Name:

Address:

## FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest Coupons attached, or registered form, without interest Coupons attached. Notes will be issued only outside the United States to persons that are not (i) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"); or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**"); or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**").

### **Bearer Notes**

Each Tranche of Bearer Notes will be initially issued in the form of a temporary bearer global note (a "**Temporary Bearer Global Note**") which will (i) if the Global Notes are not intended to be issued in NGN Form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common depository (the "**Common Depository**") for Euroclear and Clearstream, Luxembourg (in the case of Notes cleared through Euroclear and Clearstream, Luxembourg) or to a sub-custodian nominated by the HKMA as operator of the CMU (in the case of Notes to be cleared through the CMU), and (ii) if the Global Notes are intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg) or received by the CMU Lodging Agent (in the case of Notes cleared through the CMU).

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a permanent bearer global note (a "**Permanent Bearer Global Note**") of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, Receipts, Coupons and Talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused. Notwithstanding the foregoing, if the Temporary Bearer Global Note

is held by or on behalf of the HKMA as operator of the CMU, the CMU may require that exchange for interests in the Permanent Bearer Global Note is made in whole but not in part and, in such event, no such exchange will be effected until all persons appearing in the records of the CMU as entitled to an interest in the Temporary Bearer Global Note have been so certified.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg) or not less than 60 days' written notice received from the holder of an interest in such Permanent Bearer Global Note by the CMU Lodging Agent (in the case of Notes cleared through the CMU), or (ii) only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 8) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg) or the CMU (in the case of Notes cleared through the CMU) have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 17 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Principal Paying Agent (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg) or any holder of an interest in such Permanent Bearer Global Note may give notice to the CMU Lodging Agent (in the case of Notes cleared through the CMU) requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Principal Paying Agent or the CMU Lodging Agent, as the case may be, requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent or the CMU Lodging Agent, as the case may be. If the Global Note is a NGN, the relevant Issuer shall procure that details of such exchange be entered pro rata in the records of the relevant clearing system.

In the event that the Permanent Bearer Global Note is exchanged for definitive Bearer Notes, such definitive Bearer Notes shall be issued in the minimum Specified Denomination only. Noteholders who hold Notes in the relevant clearing system in amounts that are not integral multiples of the Specified Denomination may need to purchase or sell, on or before the Exchange Date, a principal amount of Notes such that their holding is an integral multiple of the Specified Denomination.

The following legend will appear on all Permanent Bearer Global Notes and definitive Bearer Notes, receipts and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

**"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."**

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, Receipts or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg or the CMU, as the case may be.

### **Italian Dematerialised Notes**

If the Notes are specified in the applicable Final Terms as Italian Dematerialised Notes, the Notes are issued in bearer form (*al portatore*) and under the dematerialised regime, pursuant to the Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions, and the relevant implementing regulations and are registered in the books of Monte Titoli S.p.A. with registered office in Piazza degli Affari 6, Milan ("**Monte Titoli**"). No physical document of title is issued to represent the Italian Dematerialised Notes. However, the holder of the Italian Dematerialised Notes still has the right to obtain the release of the certificate pursuant to articles 83-quinquies and 83-novies, paragraph 1, letter b), of the Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

The transfer of Italian Dematerialised Notes operates by way of registration on the accounts opened with Monte Titoli by the intermediaries adhering to the clearing system. As a consequence, the subject who from time to time is the owner of the account held with an intermediary adhering, directly or indirectly, to Monte Titoli, on which the Italian Dematerialised Notes are credited, is considered as the legitimate owner of the Italian Dematerialised Notes and is authorised to exercise all rights related to them.

Payments of principal and interest (if any) in respect of the Italian Dematerialised Notes will be credited, according to the instructions of Monte Titoli, by the Italian Agent on behalf of the relevant Issuer or Guarantor to the accounts of those intermediaries adhering to the clearing system whose accounts with Monte Titoli are credited with those Italian Dematerialised Notes and thereafter credited by intermediaries adhering to the clearing system from such aforementioned accounts to the accounts of the beneficial owners of those Italian Dematerialised Notes.

### **Registered Notes**

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States only, will initially be represented by a global note in registered form, without Receipts or Coupons, (a "**Registered Global Note**") which will be deposited with a common depository for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg) or deposited with a sub-custodian nominated by the HKMA as operator of the CMU and registered in the name of the HKMA in its capacity as operator of the CMU (in the case of Notes cleared through the CMU). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of the Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 1.2 and such Registered Global Note will bear a legend regarding such restrictions on transfer.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the persons shown on the Register (as defined in Condition 1.1) as the registered holder of the Registered Global Notes. None of the Issuer, the Guarantor (if applicable), any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without Receipts, Coupons or Talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg (in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg) or the CMU (in the case of Notes cleared through the CMU) have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 17 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or the CMU (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg or the CMU, in each case to the extent applicable.

#### **Applicable Final Terms**

The Final Terms will contain the information items permitted under Article 22.4 of Commission Regulation (EC) No 809/2004 (the "Prospectus Regulation").

## DESCRIPTION OF BNPP B.V

### 1. Name, registered office and date of incorporation

- (a) The legal and commercial name of the Issuer is BNP Paribas Arbitrage Issuance B.V.
- (b) BNPP B.V. is a limited liability company under Dutch law ("*besloten vennootschap met beperkte aansprakelijkheid*"), having its registered office at Herengracht 595, 1017 CE Amsterdam, The Netherlands. BNPP B.V. is incorporated in The Netherlands and registered with the Commercial Register in The Netherlands under number 33215278 (telephone number: + 31.(0) 88.738.0000).
- (c) BNPP B.V. was incorporated on 10 November 1989 with unlimited duration.

There have been no recent events particular to BNPP B.V. that are to a material extent relevant to the evaluation of BNPP B.V.'s solvency.

### 2. Business Overview

- (a) BNPP B.V.'s objects (as set out in Article 3 of its Articles of Association) are:
    - (i) to borrow, lend out and collect monies, including but not limited to the issue or the acquisition of debentures, debt instruments, financial instruments such as, among others, notes, warrants and certificates of any nature, with or without indexation based on, inter alia, shares, baskets of shares, stock exchange indices, currencies, commodities or futures on commodities, and to enter into related agreements;
    - (ii) to finance enterprises and companies;
    - (iii) to establish and to in any way participate in, manage and supervise enterprises and companies;
    - (iv) to offer advice and to render services to enterprises and companies with which the company forms a group of companies, and to third parties;
    - (v) to grant security, to bind the company and to encumber assets of the company for the benefit of enterprises and companies with which the company forms a group of companies, and of third parties;
    - (vi) to acquire, manage, exploit and dispose of registered property and asset value in general;
    - (vii) to trade in currencies, securities and asset value in general;
    - (viii) to exploit and trade in patents, trademark rights, licences, know-how and other industrial rights of ownership;
    - (ix) to engage in industrial, financial and commercial activities of any nature, and
- all other things as may be deemed incidental or conducive to the attainment of the above objects, in the broadest sense of the word.
- (b) BNPP B.V. competes with other issuers in the issuance of financial instruments and securities.
  - (c) BNPP B.V. is a BNP Paribas Group issuance vehicle, specifically involved in the issuance of structured securities, which are developed, setup and sold to investors by other companies in the group. The issuances are backed by a matching derivative contract with BNP Paribas Arbitrage S.N.C. or BNP Paribas SA ensuring a

perfect match of BNPP B.V. assets and liabilities. Given the function of BNPP B.V. within the BNP Paribas Group and its asset and liabilities structure, the company generates a limited profit.

- (d) The securities issued by BNPP B.V. are sold to institutional clients, retail and high net worth individuals in Europe, Africa, Asia and Americas, either directly by BNP Paribas or through third party distributors.

### **3. Trend Information**

Due to BNPP B.V. dependence upon BNPP its trend information is the same as that for BNPP set out on pages 126 and 127 of the BNPP 2015 Registration Document.

### **4. Share capital**

The authorised share capital is composed of €225,000 divided into 225,000 shares of €1 each. The issued share capital is €45,379, divided in 45,379 shares of €1 each.

All shares are ordinary registered shares and fully paid up and no share certificates have been issued. 100 per cent. of the share capital is held by BNP Paribas.

### **5. Management**

#### **5.1 Management Board**

The management of BNPP B.V. is composed of a Management Board with one or several members appointed by the general meeting of shareholders.

On 31 January 2016, BNP Paribas has appointed as sole member of the Management Board BNP Paribas Finance B.V., a company established and existing under the laws of The Netherlands, with its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands. Mrs. Verstraeten, Mr. Herskovic, Mr. Sibille and Mr. Sijlsing as Directors of BNP Paribas Finance B.V. have the power to take all necessary measures in relation to the issue of securities of BNPP B.V.

#### **5.2 Duties of the Management Board**

Within the limits of the constitutional documents, the Management Board is responsible for the management of BNPP B.V.

### **6. Accounts**

#### **6.1 Drawing up of annual accounts**

The financial year is the calendar year.

#### **6.2 Adoption of annual accounts**

The general meeting of shareholders adopts the annual accounts.

### **7. Material Investments**

BNPP B.V. has made no material investments since the date of its last published financial statements other than those related to the issue of securities and its Management Board has made no firm commitments on such material investments in the future.

### **8. Organisational Structure**

BNPP B.V. is a wholly owned subsidiary of BNP Paribas.

BNPP B.V. is dependent upon BNP Paribas in that BNP Paribas develops and markets the Securities, hedges its market, credit and liquidity risks and guarantees the obligations of BNPP B.V. for any issuance of its securities towards investors.

## 9. Administrative, Management, and Supervisory Bodies

### 9.1 Names, Business Addresses, Functions and Principal Outside Activities

The names, functions and principal activities performed by it outside BNPP B.V. which are significant with respect to the only director of BNPP B.V. are:

Name	Function	Principal Outside Activities
BNP Paribas Finance B.V.	Managing Director	The facilitation of primary and secondary debt transactions and trading on behalf of the BNP Paribas Group

### 9.2 Administrative, Management, and Supervisory Bodies Conflicts of Interests

The above-mentioned member of the Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of the Securities, between any duties to BNPP B.V. and its interests or other duties.

## 10. Board Practices

### 10.1 Audit Committee

BNPP B.V. does not itself have an audit committee. However, BNPP B.V. is part of the BNP Paribas Group which divides the audit responsibility to review the annual consolidated financial statements of BNP Paribas between a Financial Statement Committee and an Internal Control and Risks Committee.

### 10.2 Corporate Governance

The Dutch Corporate Governance Code of 10 December 2008 only applies to listed companies. The shares of BNPP B.V. are not listed and therefore the code does not apply. Accordingly, BNPP B.V. is not required to make any disclosure regarding compliance with the code.

## 11. Historical Financial Information Concerning BNPP B.V.'s Assets and Liabilities, Financial Position and Profits and Losses

### BALANCE SHEET IN SUMMARY (before appropriation of the net result)

	30.12.2015	31.12.2014
	(audited)	(audited)
	EUR	EUR
<b>Financial fixed assets</b>	30,238,524,334	48,545,871,603
<b>Current assets</b>	12,804,050,994	16,258,961,862
<b>TOTAL ASSETS</b>	<b>43,042,575,328</b>	<b>64,804,833,465</b>

<b>Shareholder's equity</b>	464,992	445,206
<b>Long term liabilities</b>	30,328,524,334	48,545,871,603
<b>Current liabilities</b>	12,803,586,002	16,258,516,656
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,042,575,328</b>	<b>64,804,833,465</b>

**PROFIT AND LOSS ACCOUNT in summary**

	<b>2015</b>	<b>2014</b>
	<b>(audited)</b>	<b>(audited)</b>
	EUR	EUR
Income including interest received	315,670	432,323
Costs, including interest paid and the tax charge	290,937	403,280
<b>Profit after taxation</b>	<b>19,786</b>	<b>29,043</b>

**CASH FLOW STATEMENT in summary**

	<b>2015 (audited)</b>	<b>2014 (audited)</b>
	EUR	EUR
Cash flow from operating activities	(576,441)	623,505
Cash flow from financing activities	0	0
<b>Increase/Decrease cash at banks</b>	<b>(576,441)</b>	<b>623,505</b>
<b>Cash at bank at 31 December</b>	<b>76,012</b>	<b>652,453</b>

## **DESCRIPTION OF BNPP**

A description of BNPP can be found on pages 6 to 15 of the BNPP 2015 Registration Document which is incorporated by reference herein.

## DESCRIPTION OF BP2F

### 1. General

BP2F is a public limited liability company (*société anonyme*) incorporated for an unlimited duration under the laws of the Grand-Duchy of Luxembourg with its registered and principal office at 19, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg (telephone number +352 27 44 18 03) and registered with the Register of Commerce and Companies of Luxembourg under B. 24 784.

BP2F was incorporated on 24 September 1986 in Luxembourg as a public limited liability company (*société anonyme*) with the name Genfinance Luxembourg S.A., which was then changed on 12 November 2001 to Fortis Luxembourg Finance S.A. and on 22 February 2010 to BNP Paribas Fortis Funding that is still, at the date of this Base Prospectus, its legal name and commercial name.

BP2F is registered with the Register of Commerce and Companies of Luxembourg under number B24784 (registered on 24 September 1986).

The Articles of Association of BP2F have been amended several times, most recently by notarial deed in Luxembourg on 23 March 2010.

The Articles of Association were published in the "*Mémorial C, Recueil des Sociétés et Associations*" on 29 November 1986 (C Nr332) and amendments thereto were also published in the "*Mémorial C, Recueil des Sociétés et Associations*".

There have been no recent events particular to BP2F that are to a material extent relevant to the evaluation of BP2F's solvency.

BP2F has not made any investments since the date of the last published financial statements.

The principal activities of BP2F are described in the following section.

### 2. Business overview

#### *Principal activities*

BP2F's main object is to grant loans to BNPPF and the companies controlled by BNPPF. In order to implement its main object, BP2F may issue bonds or similar securities, perform any refinancing operation, with or without a guarantee and in general have recourse to any sources of finance. BP2F can carry out any operation it perceives as being necessary to the accomplishment and development of its business, whilst staying within the limits of the Luxembourg law of 10 August 1915 on commercial companies (as amended).

Please refer to paragraph 10(b) below for more information about BP2F's object as stated in Article 4 of its Articles of Association.

#### *Principal markets*

Part of the (long-term) debt of BP2F is admitted to listing on the official list and trading on the regulated market of the Luxembourg Stock Exchange and/or on Euronext Amsterdam and/or on Euronext Brussels. The debt securities are sold to investors all over the world but mainly in Europe and within the scope of any applicable selling restrictions.

### 3. Organisational structure

BP2F is owned at 99.995 per cent. by BNPPF that is part of the BNP Paribas group.

#### 4. Trend information

##### *Trends*

BP2F is dependent upon BNPPF. BP2F is 99.995 per cent. owned by BNPPF. BP2F is specifically involved in the issuance of securities such as notes, warrants or certificates or other obligations which are developed, set up and sold to investors via intermediaries including BNPPF. BP2F enters into hedging transactions with BNPPF and with other entities of the BNP Paribas Group. As a consequence, the information disclosed under the section headed "*Trend Information*" in the "Description of BNPPF" below is also relevant in relation to BP2F and should be referred to for known trends likely to have a material effect on BP2F's prospects for the current financial year.

#### 5. Profit forecasts or estimates

This Base Prospectus does not contain any profit forecast or estimates with regard to BP2F.

#### 6. Administrative, management and supervisory bodies

##### (a) *Board of Directors*

As at the date of this Base Prospectus, the Board of Directors of BP2F comprises the following persons:

<b>Name</b>	<b>Principal activities* performed by them outside BP2F which are significant with respect to BP2F</b>
Dirk Dewitte	Director and CFO of BP2F. Branch Manager (CEO) of the BNP Paribas Belgian branch
Pierre Vanhove	Director of BP2F. Head of medium and long term funding of BNP Paribas Fortis
Harald Thul	Director of BP2F. Business Unit Director of Intertrust Luxembourg S.à.r.l.
Luc Henrard	Director of BP2F. Member of Managing Committee and Chief Risk Officer of BGL BNP Paribas
Didier Giblet	Director and chairman of the board of directors of BP2F. Director Risk ALM-T of BNP Paribas Fortis
Yvon Pierre Antoni	Director of BP2F. Head of ALM Funding of BGL BNP Paribas
Jonathan Lepage	Director of BP2F. Business Unit Director of Intertrust Luxembourg S.à.r.l

*\*Except for their principal functions in BNPPF, their other functions in BNPPF have not been included.*

For the purpose of this Base Prospectus, the business address of the Directors is 19, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.

No member of the Board of Directors works on a full-time basis for BP2F.

From 1 January 2013, Mr. Pierre Vanhove works twenty per cent. of the time for BP2F.

(b) *Administrative, management, and supervisory bodies conflicts of interests*

No conflicts of interests exist between any duties to the issuing entity of the persons referred to above at paragraph 6(a) and their private interests and/or other duties disclosed in paragraph 6(a).

However, functional conflicts of interests may exist for the persons referred to above at paragraph 6(a) due to the roles held by these persons in other affiliates of BP2F (as described above at paragraph 6(a)).

**7. Board practices**

BP2F does not have an audit committee. An audit committee exists at BNPPF level.

Other than the provisions of the Luxembourg law of 10 August 1915 on commercial companies, as amended, which BP2F is required to comply with, under Luxembourg company law, there is currently no other legal corporate governance regime under Luxembourg law that a company must comply with.

**8. Major shareholders**

BNPPF holds 99.995 per cent. of BP2F shares.

**9. Financial information concerning BP2F assets and liabilities, financial position and profits and losses**

*Financial statements*

BP2F has no subsidiaries and therefore its financial statements are produced on an unconsolidated basis.

The annual accounts of BP2F are included in the consolidated financial statements of BNPPF. The consolidated financial statements of BNPPF are available at its registered office: 3 Montagne du Parc, B-1000 Brussels, Belgium.

*Auditing of historical annual financial information*

The annual accounts of BP2F for the year ended 31 December 2014 have been audited without qualification by Deloitte Audit S.à r.l. as approved independent auditor (*réviseur d'entreprises agréé*) whose registered office is 560, rue de Neudorf, L-2220 Luxembourg who is a member of the Institut des Réviseurs d'Entreprises.

The annual accounts of BP2F for the year ended 31 December 2015 have been audited without qualification by Deloitte Audit S.à r.l. as approved independent auditor (*réviseur d'entreprises agréé*) whose registered office is 560, rue de Neudorf, L-2220 Luxembourg, who is a member of the Institut des Réviseurs d'Entreprises.

The cash flow statements of BP2F for the years ended 31 December 2014 and 31 December 2015 have been audited by Deloitte Audit S.à r.l. as approved independent auditor (*réviseur d'entreprises agréé*) whose registered office is 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, who is a member of the *Institut des Réviseurs d'Entreprises*.

No other information in this "Description of BP2F" has been audited by the auditor.

*Age of latest financial information*

The latest audited financial information of BP2F incorporated by reference in this Base Prospectus is the financial information for the financial year ended 31 December 2015.

*Interim and other financial information*

At or about the end of August 2016, BP2F will publish unaudited interim financial information for the six month period ended 30 June 2016.

## **10. Additional information**

### *(a) Share capital*

BP2F issued and authorised share capital at 31 December 2015 is EUR 500,000 represented by 20,000 ordinary shares with a nominal value of EUR 25 each. BP2F has no other classes of shares. The share capital is fully paid up in cash. BP2F has no notes cum warrants, nor any convertible notes outstanding.

### *(b) Memorandum and Articles of Association*

Article 4 of the Articles of Association states:

The purpose of BP2F is the direct and indirect funding by whatever means of its subsidiaries, of BNP Paribas Fortis and of companies controlled by BNP Paribas Fortis and the granting to said companies of any assistance, loan, advance or guarantee and/or any service of financial aid and any related administrative help.

In order to implement its purpose, BP2F may especially:

- (a) perform any refinancing operation and especially solicit any kind of borrowing, obtain any kind of credit, participate in securitization transactions and collect funds mainly by the issue in whatever form of bonds or similar securities, debts, claims, certificates, warrants and any other kind of financial instruments; said list of transactions being not exhaustive;
- (b) grant guarantees, pledge, or deliver any other kind of security, whether by personal commitment or by mortgage or encumbrance on all part of the company's assets;
- (c) conclude any kind of provisional transfer of securities and especially swaps (transactions on credit derivatives included), of options and futures, said list of transactions being not exhaustive;
- (d) conclude any kind of provisional transfer of securities and especially of loans of securities and of borrowings against assets, said list of transactions being not exhaustive.

BP2F may carry out any operation which it deems necessary to the implementation and development of its purpose, remaining however within the limits fixed by the law of 10 August 1915 on commercial companies, as amended.

## **11. Selected financial information**

### *Selected annual financial information*

Extracted without material adjustment from the audited annual accounts of BP2F for the year ended 31 December 2015, which have been prepared in conformity with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

	<b>31/12/2015</b> <b>(Audited)</b>	<b>31/12/2014</b> <b>(Audited)</b>
	EUR	EUR
<b>Selected items of the Balance Sheet</b>		
<i>Assets</i>		
Financial Fixed assets (Amounts owed to affiliated undertakings)	5,330,470,858	5,470,070,451
Current assets (Amounts owed by affiliated undertakings becoming due and payable within one year)	220,350,482	415,475,284
Total assets	5,635,897,265	5,977,141,866
<i>Liabilities</i>		
Capital and reserves	5,588,465	6,691,167
Subordinated debts	960,621,698	1,233,153,404
Non-subordinated debts		
Non-convertible loans		
- becoming due and payable within one year	1,134,209,104	358,648,783
- becoming due and payable after more than one year	3,121,497,621	3,808,557,061
	<b>31/12/2015</b> <b>(Audited)</b>	<b>31/12/2014</b> <b>(Audited)</b>
<b>Charges &amp; Income: selected items</b>	EUR	EUR
Income from financial fixed assets derived from affiliated undertakings	114,658,978	128,272,799
Total income	454,645,617	431,761,255
Interest and other financial charges	420,146,066	401,166,435
Profit for the financial year	677,298	844,457

The above information for the years ended 31 December 2014 and 31 December 2015 is extracted without material adjustment from, and should be read in conjunction with, the audited annual accounts (including the notes thereto) of BP2F for the year ended 31 December 2015. The audited and approved annual accounts of BP2F for the years ended 31 December 2014 and 31 December 2015 are available free of charge at the registered and principal office of BP2F and are also available on the web site of BP2F ([www.bp2f.lu](http://www.bp2f.lu)).

**12. Statement regarding competitive position**

The basis for any statements in this Base Prospectus made by BP2F regarding its competitive position originate from the BP2F's evaluation of market trends and should generally reflect market views.

See also the "General Information" section below.

## DESCRIPTION OF BNPPF

### 1. General

BNPPF, incorporated in Belgium on 5 December 1934, is a public company with limited liability (*naamloze vennootschap/société anonyme*) under Belgian law. The registered office of the company is located at Montagne du Parc 3, 1000 Brussels, Belgium where its headquarters are based (telephone number: +322 433 4131 (for French speakers)/+322 433 3134 (for Dutch speakers)). BNPPF has been established for an indefinite period.

As stated in article 3 of its Articles of Association, BNPPF's object is to carry on the business of a credit institution, including brokerage and transactions involving derivatives. It is free to carry out all businesses and operations which are directly or indirectly related to its purpose or which are of a nature that benefit the realisation thereof. BNPPF is free to hold shares and share interests within the limits set by the legal framework for banks.

BNPPF is registered in the Register of Legal Entities of Brussels under the number 0403.199.702.

BNPPF is owned for 99.93 per cent. by BNP Paribas S.A. and for 0.07 per cent. by minority shareholders.

In Belgium, BNPPF is subject to supervision by the ECB, the prudential authority of the NBB (National Bank of Belgium), and the market authority of the Belgian FSMA (Financial Services and Markets Authority).

### 2. Business overview

BNPPF offers a comprehensive package of financial services through its own channels and via other partners to private, professional and wealthy clients in the Belgian market, as well as in Luxembourg and Turkey. BNPPF also provides corporations and public and financial institutions with customised solutions, for which it can draw on BNP Paribas' know-how and international network. In the insurance sector, BNPPF works closely with the Belgian market leader AG Insurance, in which it owns a 25 per cent. stake. BNPPF employs around 14,500 people (full-time equivalents) in Belgium.

BNPPF has built up a strong presence in the retail and private banking market, operating through a variety of distribution channels. In Belgium the company delivers universal banking and insurance services and solutions to its retail customers. In other countries, the product offer is tailored to specific customer segments. Private Banking offers integrated and international asset and liability management solutions to high net worth individuals in Belgium, their businesses and their advisers.

BNPPF also offers financial services to companies and institutional clients and provides integrated solutions to enterprise and entrepreneur. Corporate and Public Banking Belgium fulfils the financial needs of corporate and midcap enterprises, public entities and local authorities through an integrated international network of business centres.

BNPPF is part of the BNP Paribas group (the "**BNP Paribas Group**") (of which BNP Paribas is the parent company), a leading bank in Europe with an international reach. It has a presence in 75 countries with more than 189,000 employees, including more than 146,000 in Europe. It has a presence in 75 countries, with more than 189,000 employees, including more than 146,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services (whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors. The Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance. In Europe, the



(subsidiaries are those companies whose financial and operating policies BNPPF, directly or indirectly, has the power to govern so as to obtain benefits from its activities), the most important of which are:

- 50% + 1 share stake in BGL BNP Paribas SA
- Direct 21.23% stake in Turk Ekonomi Bankası A.S. (**TEB**) and a 50% share of TEB Mali Yatirimlar A.S., a joint venture with the Colacoglu Group, which holds 55% of TEB's share capital.

BNPPF holds minority interest in, among others, AG Insurance (25% + 1 share), Bank BGŻ (28.35%) and BNP Paribas Investment Partners (28.37%).

#### **4. The businesses of BNPPF**

The major changes in the consolidation scope of BNPPF during 2015 were related to the finalisation of the legal merger between BNP Paribas Bank Polsha and BGŻ. Changes in the BNPPF consolidation perimeter comprised, *inter alia*:

- On 30 April 2015 the legal merger of BNP Paribas Bank Polska (in which BNP Paribas Fortis held 85% interest) with Bank BGŻ (held by BNP Paribas by 88.98%) was finalised. After the merger, BNP Paribas Fortis holds 28.35% in the merged bank operating under the name Bank BGŻ BNP Paribas S.A. As a result of the merger, Bank BGŻ BNP Paribas S.A. is consolidated by equity method by BNP Paribas Fortis.
- On 20 January 2015, Cronos Holding Company Limited, previously consolidated by equity method, has been disposed of by TCG Funds I L.P. to an external party. The consideration amounted to EUR 165 million (or USD 199 million), and the capital gains amounted to EUR 68.9 million (or USD 77.5 million). Cronos Holding company Ltd was specialised in the activities of container leasing. TCG Fund I L.P, the parent company of Cronos Holding Company Ltd, has been liquidated in September 2015. The result of its liquidation as at 31 December 2015 amounted to EUR 25.6 million (or USD 28.1 million).

##### **(i) Retail & Private Banking**

Retail Banking offers financial services to individuals, the self-employed, members of independent professions and small businesses. Over 3.5 million customers currently use BNPPF's integrated banking and insurance services, through proprietary and third-party networks, all embedded in a multi-channel environment. Operating through a variety of distribution channels, BNPPF provides services and advice on every aspect of daily banking, saving, investment, credit and insurance to a clearly segmented customer base.

##### **Retail & Private Banking Belgium**

###### *Market position*

- Market leadership in Belgium.<sup>1</sup>
- 789 branches operating under the BNPPF brand are complemented by 298 franchises under the Fintro brand and 664 points of sale of the 50/50 joint venture with bpost bank.
- Other channels include a fleet of 3,819 ATMs, banking services via internet, Easy banking and Mobile banking (1.25 million active users) and Hello bank!.

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<sup>1</sup> Source: 2015 annual report of BNPPF

- With 34 Private Banking centres and one Private Banking Centre by James (Private Banking centre with remote services through digital channels), BNPPF is an important player in the Belgian private banking market. Individuals with assets of more than EUR 250,000 are eligible for private banking services. Wealth Management caters to clients with potential assets of more than EUR 4 million. They benefit from a dedicated service model and are primarily served via two Wealth Management centres in Antwerp and Brussels.

#### *Key developments in 2015*

In 2015 Retail & Private Banking speeded up the implementation of its omni-channel strategy and made adjustments to customer service arrangements in order to respond to the rapid technological changes taking place in society.

The Easy banking app was enhanced with the addition of new Savings & Investment functionality which provides a clearer picture of a customer's assets. In mid-December 2015 Easy banking passed the milestone of 1.5 million downloads.

In January 2015, the Bank launched two new Daily Banking packages for iBank customers: Comfort Pack and Premium Pack. This range of packages is designed to better meet customer needs and can moreover be handled online. A further novelty was the Prepaid Card, a secure means of payment, both online and in-store, in Belgium and abroad.

In order to respond to the rising trend towards tapping new sources of finance, the Bank began to provide support to two crowdfunding platforms – MyMicroInvest and Hello crowd!.

The continuing low interest rates compelled the Bank to reduce the rates on savings accounts still further during 2015. In June RPB launched a new regulated savings account, the Star Savings Account, whose base rate, at 0.1% (on 31 December 2015), remains in line with the current returns on regulated savings, but whose special feature is a high loyalty bonus, set at 1.3%.

Another consequence of the low interest rates was a sharp increase in mortgage lending and also in refinancing of existing mortgages. Consumer credit also saw further growth, underpinned by good results in car finance.

The low interest rates also gave rise to considerable customer demand for alternatives to savings accounts. The Flexinvest formula – an automatised programme channelling savings into investments in funds – proved highly popular. The range of investment products was expanded with a new suite of European Strategy Funds and socially responsible investments (SRI) in the form of a World Bank Green Growth Bond issue, plus structured notes linked to Climate Care action.

BNP Paribas Fortis Private Banking further expanded its service range during the year. The FRS (Fund Reporting Service) contract anticipates regulatory changes. A number of sustainable investment products were brought to market, including the new Climate Care suite of products, the Smart Fund Plan Private, and the launch of an SRI Fund of Funds portfolio in conjunction with the King Baudouin Foundation. This led to an increase in assets under management.

- **BGL BNP Paribas SA**

BGL BNP Paribas Retail and Corporate Banking in Luxembourg provides a broad range of financial products and services to individual, professional and corporate clients through its network of 41 branches and the specialised departments dedicated to serving corporates. The Direct Banking department includes remote banking activities and offers daily banking solutions to resident clients, as well as investment solutions to wealthy international and resident clients.

BGL BNP Paribas is the number 2 bank in Luxembourg for individual customers (16% market share) and the number 1 bank for corporates (29% market share).

In 2015, the Retail Bank pursued its transformation of the branch network and expansion of its fleet of ATMs. Branch opening hours were also extended to offer clients a local service. The Bank adapted its range of solutions for professional clients by creating eight Professional Business Centres.

Digitisation of the Bank's activities continued during the year, with the launch of a Web Banking app for iPhone and simplification of the login procedure. The Bank also launched the Digicash app and teamed up with Auchan Luxembourg and Digicash Payments to offer a new in-store payment experience. Last but not least, clients now have the possibility of taking out a personal loan online and tracking its progress securely via their Web Banking space.

The Business Banking department has applied the One Bank for Corporates model to the Real Estate Financing department, creating cross-border links with other Group entities in order to better support clients operating in the real-estate sector in Luxembourg. Several cross-selling initiatives have also led to the conclusion of large deals, including the financing by BGL BNP Paribas and BNP Paribas Fortis of a project to redevelop the capital's city centre, and the financing of a significant proportion of the country's wind farms.

Meanwhile the Private Bank in Luxembourg has set up a commercial development unit tasked with winning new clients. In terms of its range of services, the Private Bank in Luxembourg offers a personalised mandated management service (Crystal), plus also a first SRI product - BGL BNP Paribas Autocallable SRI Note 2020 - certified by Forum Ethibel.

The BNP Paribas Wealth Management business in Luxembourg offers bespoke wealth and financial management solutions, plus a range of high-end services aimed at international private banking clients.

The volume of assets under management by Wealth Management increased by 2% during the year, exceeding the target set out in the strategic plan. Lastly, net capital inflows increased across all geographical zones, with a significant contribution from the UHNWI segment (+12%), which represents more than half of all assets under management.

- **TEB**

BNPPF operates in Turkey through TEB, in which it holds a 48.72% stake. TEB ranks 9th in the country's banking sector in terms of market share in loans and deposits, and provides the full range of BNP Paribas Group Retail products and services in Turkey.

In Retail Banking, TEB provides debit and credit cards, mortgage loans, personal loans, plus investment and insurance products, which are distributed through the branch network and via Internet, phone and mobile banking.

Through its commercial and small business banking departments, the Bank offers a full range of banking services to small and medium-sized enterprises and is also recognised as having strong expertise in non-financial services.

Corporate Banking services include international trade finance, asset and cash management, credit services, hedging of currency, interest and commodity risk, plus factoring and leasing.

Throughout 2015, the Bank achieved a highly satisfactory performance in both revenue generation and profitability, in spite of the less-than-favourable conditions prevailing in Turkey's banking sector.

Steadily increasing the accessibility of its services, TEB today operates through a total of 532 branches and over 1,600 automated teller machines throughout Turkey. While growing the network, TEB is also working to improve efficiency. During the period from end-2009 to end-2015, the bank achieved significant improvements in most of the efficiency indicators.

(ii) **Corporate & Public Banking Belgium and Corporate & Institutional Banking**

**Corporate & Public Banking Belgium (CPBB)** offers a comprehensive range of local and international financial services to Belgian enterprises, public entities and local authorities. The offering includes domestic banking products, specialist financial skills, and securities, insurance and real estate services. Skills include specialist ones such as trade services, cash management, factoring and leasing, as well as M&A and capital markets.

A central team of corporate bankers, relationship managers and skills officers ensure that BNPPF stays close to the market. This team, combined with the European network of business centres managed within CIB, enables BNPPF to offer unified commercial management to its Belgian clients locally and abroad.

In 2015, CPBB continued its efforts to remain the 'top of mind' provider of financial services to its clients, building further on its long-term relationships and striving to obtain a better grasp of the strategic priorities and long-term objectives of each client. As the financier par excellence of the real economy, CPBB remained well-placed to meet the borrowing needs of these clients in a fully risk-aware manner. In addition to the traditional lending approach, CPBB relationship managers are also able to provide alternative financing solutions, from bond issuance to private placements of debt paper, thanks to the Bank's profound knowhow in this field.

Moreover CPBB was able to draw throughout the year on the strength of the BNP Paribas Group's international network. The close links between Corporate & Public Bank Belgium and the 75-plus countries in the network enabled CPBB to bring a number of new clients within the fold.

As corporate customers now have greater expectations for a digital, almost paperless, interaction with their financial service providers, CPBB has accelerated its programme to provide enhanced offerings of digital services. In 2015 CPBB delivered additional, mainly operational, functionalities, inter alia in the fields of e-contracting and lending. In order to ensure an enhanced user experience and raise overall satisfaction, CPBB cross-checked development at an early stage with clients, using clickable prototypes and conducting interviews. Moreover, CPBB continued during the year to segment the client base more carefully in order to optimise the relationship banking model and CPBB will continue to approach each client segment through an appropriate mix of multiple channels.

**BNP Paribas Fortis Corporate & Institutional Banking (CIB)** provides its clients in Belgium and across Europe with full access to the BNP Paribas CIB product portfolio.

In 2015, CIB was reorganised Group-wide in order to better meet the needs of its Corporate and Institutional clients. In this new context, BNP Paribas Fortis CIB, which is part of CIB EMEA (Europe Middle East and Africa), currently consists of five Business Lines, plus IT and Operational support and a Competence Centre. The five Business Lines are:

- **Global Markets:** The Brussels-based platform focuses on client-driven activities, offering a global product range through access to BNP Paribas Group platforms. Global Markets serves mainly Belgian clients, plus also European Corporates through the Corporate Coverage network, providing flow and 'plain vanilla' products – for which close proximity to the client and rapid response are absolutely essential, enabling us to quote locally for most of the clients' foreign exchange and interest rate hedging needs.

Global Markets is also able to leverage strong digital capabilities, based on robust, efficient IT platforms, in order to provide our clients with the highest service quality.

- Financing Solutions: As from 2013, Brussels has played host to the BNP Paribas Group Competence Centre for structured finance activities in the EMEA region, with the support of three other main originating platforms based in Frankfurt, London and Madrid. As a result of the overall CIB reorganisation, the Financing Solutions Brussels platform offers clients expertise in five main areas: Asset and Export Finance; Energy and Infrastructure Finance; Leveraged Finance; Corporate Debt; and Media-Telecom Finance.
- Transaction Banking EMEA offers clients an integrated suite of flow products to manage their treasury in Europe, including cash management (domestic and international payments), import-export Trade Financing and Corporate Deposit management.
- Corporate Finance is active in Mergers & Acquisitions Advisory and in Equity Capital Markets, focusing on clients in Belgium and Luxembourg.
- Private Equity plays a direct role in supporting the development and growth of companies, and offers solutions for shareholder transition by investing in both equity and mezzanine finance instruments in the home market. The internationally-oriented fund-of-funds portfolio is currently being run down.

In addition to the Business Lines, BNP Paribas Fortis CIB ITO supports CIB business through its dedicated IT and Operations teams. CIB ITO provides operational support and systems maintenance and development for BNP Paribas Fortis as well as some other BNP Paribas Group CIB businesses.

Lastly, the Trade Solutions Competence Centre offers technical and commercial support to all teams managing and developing Trade Solutions business worldwide (CIB, International Financial Services and Domestic Markets). This support takes the form of training, technical advice and assistance with product development.

#### *Market positions*

- Strong leadership position in Belgium with more than 600 corporate clients and 7,000 midcaps, and a challenger in public banking (570 clients).
- High penetration rate among selected European customers (e.g. internationally active SMEs).

#### *Additional information*

- BNPPF is working on setting up a covered bond programme expected to be finalised by the end of 2016 for the possible issuance of covered bonds.

## **5. BNPPF 2015 Financial Results**

The below analysis focuses on underlying business performance and excludes the following non-recurrent items: impacts of scope changes, evolution of foreign exchange rates and credit spreads, and other non-operating items (mainly composed of one-off results).

**Revenues** totalled EUR 7,235 million, up by 5.2%\* compared to 2014. The underlying increase was mainly supported by a strong operating performance in Belgium, a continuing growth in Turkey and also by good results in Leasing and Personal Finance.

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\* Excluding non-recurrent items

- In Belgian Retail Banking, revenues grew by 4.8%\* mainly driven by higher interest income on loans (mainly on mortgage loans thanks to volume effects) and lower interest costs on issued debt and deposits, including savings accounts, triggered by the persistently low interest rates in 2015. The good performance on financial and credit fees also contributed to increase the revenues.
- In Turkey, revenues rose by 12.4%\* driven by strong volume growth in both loans and deposits (respectively +15.7%\* and +13.4%\* compared to 2014) in line with our ambition.

**Operating expenses and depreciations** amounted to EUR 4,427 million, up by 1.9%\* compared to 2014.

- In Belgium, costs slightly decreased by 0.7%\* thanks to the effect of operating efficiency measures. Costs included Belgian banking taxes and levies, which, for the year 2015, amounted to a total amount of EUR 282 million, representing an increase of EUR 54 million compared to previous year. This included the Bank's national contributions for the Deposit Guarantee Scheme (DGS), the Financial Stability Contribution (FSC), a regular and an additional tax on saving deposits and, at European level, for the first time, contribution to the Single Resolution Fund (SRF).
- In Turkey, costs increased by 8.8%\* due to continuing business expansion.

As a result, **gross operating income** rose by 11.1%\* to EUR 2,808 million. The consolidated cost/income ratio stood at 61.2%.

**Cost of risk** stood at EUR 431 million, corresponding to 30 basis points of outstanding customer loans compared to 21 basis points in 2014. In Belgian Retail Banking, cost of risk remained very low, at 9 basis points of outstanding customer loans.

**Share of earnings of equity-method entities** was up 36.4%\*, at EUR 206 million, mainly supported by better results in Leasing associates.

BNP Paribas Fortis generated EUR 1,575 million in **net income attributable to equity holders**, up by 7.4%\* compared to last year, reflecting the good overall performance delivered in 2015.

The BNP Paribas Fortis **balance sheet total** amounted to EUR 274 billion at 31 December 2015, down by 1% compared to the end of 2014. The slight decrease mainly resulted from the completion of the merger between BNP Paribas Bank Polska and Bank BGŻ on 30 April 2015 and the related change in consolidation method.

From a geographical point of view – based on the location of the BNP Paribas Fortis companies – 67% of the assets are located in Belgium, 9% in Turkey, 8% in Luxembourg and 16% in other countries.

The Bank's **solvency** remained well above minimum regulatory requirements. At 31 December 2015, BNP Paribas Fortis' fully loaded Basel 3 Common Equity Tier 1 ratio<sup>2</sup> stood at 12.5% and the phased-in Basel 3 Common Equity Tier 1 ratio, at 14.2%.

**Liquidity** remained healthy, with a Liquidity Coverage Ratio (LCR) of 130%<sup>3</sup>, customer deposits<sup>4</sup> standing at EUR 173 billion and customer loans<sup>2</sup> at EUR 170 billion at 31 December 2015.

The BNP Paribas Fortis Board of Directors proposed at the Annual General Meeting of shareholders on 21 April 2016 not to distribute any dividend.

\*

Excluding non-recurrent items

2

Ratio taking into account all the CRD4 rules with no transitory provisions

3

The LCR is computed on a consolidated basis

4

Customer deposits consist of amounts due to customers excluding repurchase agreements ('repos'). Customer loans are loans and receivables due from customers, excluding securities and reverse repos

## 6. Governance

### Board of Directors

In general, the Board of Directors (*Raad van Bestuur/Conseil d'Administration*) is responsible for BNPPF in accordance with applicable law. Furthermore, the Board of Directors: (i) approves, assesses and monitors the strategy and goals of BNPPF, (ii) determines and monitors the risk policy (including the risk tolerance) of BNPPF, and (iii) approves BNPPF's governance memorandum.

The Board of Directors has transferred all of its management authority ('bestuursbevoegdheid'/'pouvoirs de gestion') to an executive body, i.e. the Executive Board ('directiecomité'/'comité de direction'), with the exception of everything which, by virtue of the Belgian Companies Code or the Belgian Banking Law, remains with the Board of Directors. The members of the Executive Board are also referred to as "Executive Directors".

On 2 May 2016, the Board of Directors was composed of 14 members, of which nine members are non-executive and five members are executive. For the purpose of this Base Prospectus, the business address for each of the members of the Board of Directors is Rue Royale 20, B-1000 Brussels, Belgium.

On 2 May 2016, the composition of the Board of Directors was as follows:

Nine Non-Executive members:

- Herman Daems, Chairman
- Thierry Laborde
- Dirk Boogmans
- Antoinette d'Aspremont Lynden
- Sophie Dutordoir
- Thierry Varène
- Stefaan Decraene
- Sofia Merlo
- Dominique Auberon

Five Executive members, composing also the Executive Board (*Directiecomité/Comité de Direction*):

- Maxime Jadot, Chairman of the Executive Board/Executive Committee and CEO
- Filip Dierckx, Vice-Chairman of the Executive Board/Executive Committee
- Didier Beauvois
- Piet Van Aken
- Peter Vandekerckhove

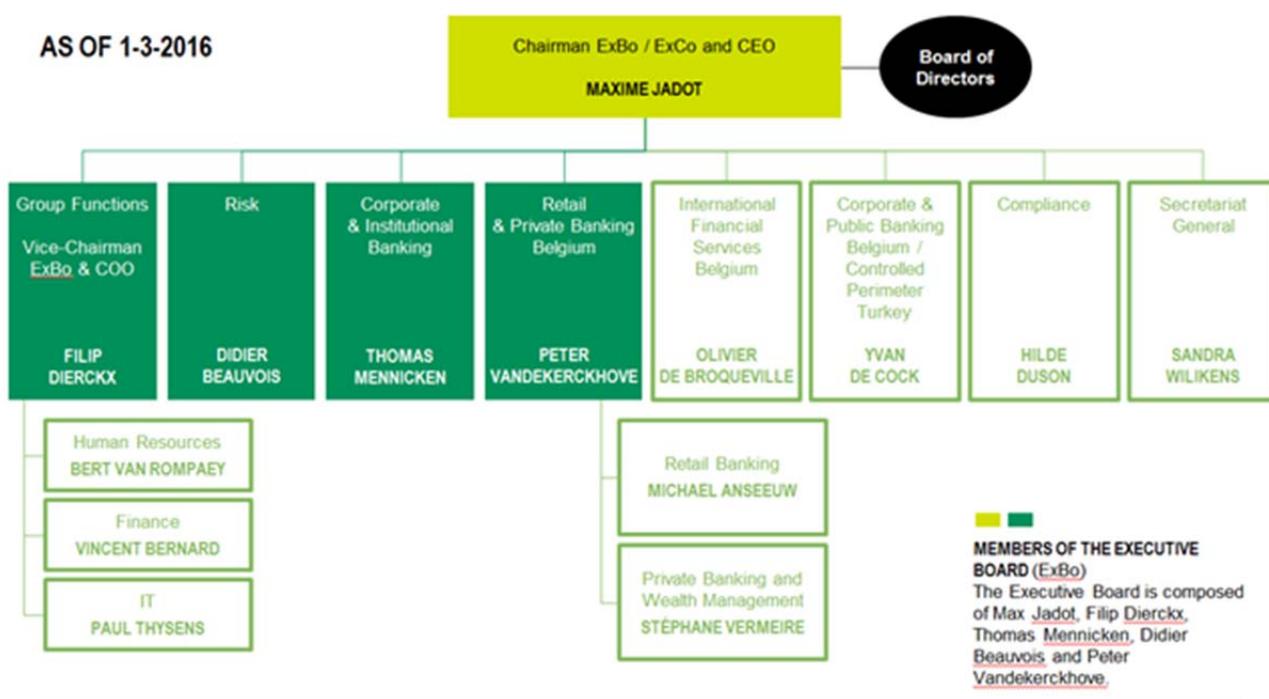
## **Executive Committee**

The Executive Committee consists of 14 members, the five members of the Executive Board in their respective responsibilities, together with nine heads of businesses or support services (reporting line between brackets). The Executive Committee (Exco) has been set-up to assist the Executive Board with the fulfilment of its role and responsibilities and to advise the Executive Board if and when needed.

For the purpose of this Base Prospectus, the business address for each of the members of the Executive Committee is Rue Royale 20, B-1000 Brussels, Belgium.

- Maxime Jadot, Chairman of the Executive Board/Executive Committee and CEO (specific responsibilities include global responsibility for all banking activities, in particular, banking activities in Belgium, Compliance, Legal, Branding & Communications, Secretary General, Audit and HR for key resources)
- Filip Dierckx, Vice Chairman of the Executive Board/Executive Committee, Chief Operating Officer (Group functions) (specific responsibilities include Finance, HR, IT & Operations and Tax)
- Didier Beauvois, Head of Corporate & Institutional Banking
- Piet Van Aken, Chief Risk Officer
- Peter Vandekerckhove, Head of Retail & Private Banking Belgium
- Olivier de Broqueville, Head of Investment Solutions
- Bert Van Rompaey, Head of Human Resources
- Yvan De Cock, Head of Corporate & Public Banking Belgium
- Vincent Bernard, Chief Financial Officer
- Hilde Duson, Chief Compliance Officer, who is expected to be replaced by Carine De Nys subject to approval from BNPPF's governing bodies and from the relevant regulations
- Stéphane Vermeire, Chief of Private Banking and Wealth Management
- Michael Anseeuw, Chief Retail Banking
- Paul Thysens, Chief Information Officer
- Sandra Wilikens, Secretary General

# EXECUTIVE BOARD & EXECUTIVE COMMITTEE



## Principal activities performed by members of the Board of Directors and the Executive Committee outside BNPPF which are significant with respect to BNPPF

- Herman Daems: Domo Investment Group NV, Director & Chairman of the Board of Directors (as permanent representative of Crossbow BVBA); Unibreda NV, Director & Chairman of the Board of Directors.
- Dirk Boogmans: Vinçotte International NV, Director & Chairman of the Audit Committee (via DAB Management); GIMV NV, Director & Chairman of the Remuneration Committee; Asap.be NV, Director (via DAB Management).
- Antoinette d'Aspremont Lynden: Groupe Bruxelles Lambert SA, Director.
- Sophie Dutordoir: Bpost NV, Independent Director & Member of the Audit Committee, Member of the Remuneration Committee and member of the special board committee of independent directors; Valeo S.A., Director & Member of the Governance and Remuneration Committee; Poppeia BVBA, Director.
- Thierry Varène: BNP Paribas UK Holdings Ltd, Director; BNP Paribas S.A., Member of the Executive Committee.
- Stefaan Decraene: Bank of the West, Director; Banc West Corporation, Director; BNP Paribas S.A., Member of the Executive Committee; TEB Holding SA, Board Member; BGZ BNP Paribas S.A. (Pologne), Member of the Supervisory Board.
- Max Jadot: BNP Paribas S.A., Member of the Executive Committee; Bekaert NV, Director; BGL BNP Paribas SA, Board Member; BNP Paribas Fondation, Administrateur du college du Fondateur; BNP Paribas Fortis, Amsterdam Branch, Director.

- Filip Dierckx: I.V.D. NV, Director & Chairman of the Board of Directors; S.D. Work for Society, Chairman; S.D. Diensten, Director & Chairman of the Board of Directors; BNP Paribas Fortis Private Equity Belgium NV, Director; BNP Paribas S.A. Belgian Branch, *mandataire délégué*; BNP Paribas Fortis Foundation Belgium, Chairman.
- Didier Beauvois: BGL BNP Paribas S.A., Director and member of the Internal Control Committee.
- Peter Vandekerckhove: AG Insurance NV, Director; BNP Paribas Fortis Investment Partners Belgium (BNPP IP), Director (Permanent Representative of BNP Paribas Fortis); BNP Paribas Fortis Foundation, Director.
- Sophia Merlo: BMCI Maroc, Director; BNP Paribas REIM, Chairman of the surveillance committee.
- Dominique Auberon: Euronext NV, Director and member of the Governance and nomination committee.

### **Administrative, management, and supervisory bodies conflicts of interests**

Aside from the matter mentioned on page 215 of the 2015 annual report of BNPPF (incorporated by reference in this Base Prospectus), being the "Information related to Article 523 of the Belgian Companies Code relating to the remuneration and benefits awarded to the BNP Paribas Fortis Executive Directors" which was a decision of a meeting held by the Board of Directors of BNPPF on 19 March 2015, to the best of BNPPF's knowledge, no conflicts of interest exist between any duties to BNPPF of the persons set out above and their private interests and/or duties disclosed above. However, functional conflicts of interest may exist due to roles held by these persons in other affiliates of BNPPF.

### **Audit Committee**

In accordance with the Belgian Banking Law, BNPPF is required to set up a separate audit committee to assist the Board of Directors with audit related matters.

### **Role and responsibilities**

The competences of the audit committee are set forth in the Belgian Banking Law and are listed herewith: finance, internal control and risk management, internal audit and external audit. The audit committee shall, upon request of the Board of Directors, assist (and make recommendations to) the Board of Directors in all audit and accounting related matters.

### **Risk committee**

In accordance with the Belgian Banking Law, BNPPF is required to set up a separate risk committee to assist the board of directors with risk (related) matters.

### **Role and responsibilities**

The risk committee shall, upon request of the board of directors, assist (and make recommendations to) the board of directors in all risk (related) matters.

In addition, several special competences of the risk committee are set forth in the Belgian Banking Law and are listed herewith: (i) risk tolerance, (ii) price setting and (iii) remuneration policy.

### **Governance and nomination committee (GNC)**

In accordance with the Belgian Banking Law, BNPPF is required to set up a separate governance and nomination committee to assist the board of directors with nomination (related) matters.

Role and responsibilities:

The competences of the governance and nomination committee are set forth in the Banking Law and the regulations of the Belgian National Bank and include being capable of rendering a sound and independent judgment on the composition and functioning of the board of directors and other management bodies of BNPPF and specifically on the individual and collective expertise of their members, their integrity, reputation, independence of spirit and availability.

### **Remuneration committee (RemCo)**

In accordance with the Belgian Banking Law, BNPPF is required to set up a separate remuneration committee to assist the board of directors with remuneration (related) matters.

**Role and responsibilities:**

The competences of the remuneration committee are set forth in the Belgian Banking Law and include being capable to provide a sound and independent judgement on the remuneration policies and reward practices and related incentives taking into account risk control, net equity needs and liquidity position.

### **Corporate governance**

BNPPF is of the opinion that it complies in general with the principles of the Belgian corporate governance code of 2009 (the "**Code**"). The most important deviation relates to Principle 8 of the Code concerning the "*Dialogue with shareholders*". The fact that BNPPF is not able to fully comply with Principle 8 of the Code results from the shareholdership of BNPPF. Specifically, BNP Paribas S.A. holds 99.93% of the issued shares of BNPPF. The remaining 0.07% of the issued shares are held by minority shareholders. Nevertheless, BNPPF constantly communicates with its various stakeholders through its website and via other media.

For more information on the BNPPF's governance, please refer to the Corporate Governance Charter of BNPPF published on [www.bnpparibasfortis.com](http://www.bnpparibasfortis.com) (select the section "your bank", and then the section "corporate governance").

## **7. General**

The basis for any statements in this Base Prospectus made by BNPPF regarding its competitive position originate from BNPPF's evaluation of market trends and should generally reflect market views.

The business address of all members of the Board of Directors of BNPPF is Rue Royale 20, B-1000 Brussels, Belgium.

## **8. Trend information**

### **Macroeconomic environment.**

Market and macroeconomic conditions affect BNPPF's results. The nature of BNPPF's business makes it particularly sensitive to market and macroeconomic conditions in Europe, which have been at times challenging and volatile in recent years.

In 2015, the global economic activity remained sluggish. Activity slowed down in emerging countries, while a modest recovery continued in developed countries. The global outlook is still impacted by three major transitions: the slowing economic growth in China, the fall in prices of energy and other commodities, and an initial tightening of US monetary policy in a context of resilient internal recovery, while the central banks of several major developed countries are continuing to ease their monetary policies. For 2016, the IMF<sup>5</sup> is forecasting the progressive recovery of global economic activity but with low growth prospects on the medium term in developed and emerging countries.

### ***Laws and Regulations Applicable to Financial Institutions.***

Laws and regulations applicable to financial institutions that have an impact on BNPPF have significantly evolved in the wake of the global financial crisis. The measures that have been proposed and/or adopted in recent years include more stringent capital and liquidity requirements (particularly for large global banking groups such as the BNP Paribas Group), taxes on financial transactions, restrictions and taxes on employee compensation, limits on the types of activities that commercial banks can undertake and ring-fencing or even prohibition of certain activities considered as speculative within separate subsidiaries, restrictions on certain types of financial products, increased internal control and reporting requirements, more stringent conduct of business rules, mandatory clearing and reporting of derivative transactions, requirements to mitigate risks in relation to over-the-counter derivative transactions and the creation of new and strengthened regulatory bodies.

The measures that were recently adopted, or in some cases proposed and still under discussion, that have or are likely to affect BNPPF, include in particular the EU Directive and Regulation on prudential requirements "CRD IV" dated 26 June 2013 and many of whose provisions have been applicable since 1 January 2014; the proposals of technical regulatory and execution rules relating to the Directive and Regulation CRD IV published by the EBA; the Belgian Banking Law dated 25 April 2014 replacing the previous law of 1993 and introducing important changes; the Belgian Royal Decree dated 22 February 2015 determining the entry into force of the Belgian Banking Law provisions relating to resolution (including the establishment of a Belgian Resolution Authority) and creating two preferential rights on the bank's movables; the Belgian Royal Decree dated 18 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions and the Royal Decree of 26 December 2015 amending the law of 25 April 2014 on the status and supervision of credit institutions relating to the resolution and recovery of group failures; the public consultation for the reform of the structure of the EU banking sector of 2013 and the European Commission's proposed regulation on structural measures designed to improve the strength of EU credit institutions of 29 January 2014; the proposal for a regulation on indices used as benchmarks in financial instruments and financial contracts; the European Single Supervisory Mechanism; the European Single Resolution Mechanism dated 15 July 2014 and the European Directive on Bank Recovery and Resolution dated 15 May 2014; the European Directive on Revised Deposit Guarantee Schemes dated 16 April 2014; the final rule for the regulation of foreign banks imposing certain liquidity, capital and other prudential requirements adopted by the U.S. Federal Reserve; the proposal of the U.S. Federal Reserve relating to liquidity ratios of large banks; and the "Volcker" Rule imposing certain restrictions on investments in or sponsorship of hedge funds and private equity funds and proprietary trading activities (of U.S. banks and to some extent non-U.S. banks) that was recently adopted by the U.S. regulatory authorities. More generally, regulators and legislators in any country may, at any time, implement new or different measures that could have a significant impact on the financial system in general or BNPPF in particular.

## **9. Profit forecasts or estimates**

This Base Prospectus does not include any profit forecasts or estimates with regard to BNPPF.

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<sup>5</sup>

See: International Monetary Fund – October 2015 Financial Stability Report; Advanced Countries and January 2016 update

**10. Accredited statutory auditors of BNPPF**

The financial statements for the year ending 31 December 2015 of BNPPF have been audited by PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L., represented by Damien Walgrave, Partner, Woluwedal 18, B-1932 Sint-Stevens Woluwe, Brussels, and Deloitte Reviseurs d'Entreprises SC sous forme d'une S.C.R.L., represented by Yves Dehogne and Bernard De Meulemeester, Partners, Berkenlaan 8b, B 1831 Diegem, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 5 April 2016. All are members of the *Instituut der Bedrijfsrevisoren (IBR)/Institut des Reviseurs d'Enterprises (IRE)*.

The financial statements for the year ending 31 December 2014 of BNPPF have been audited by PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L., represented by Roland Jeanquart, Partner, Woluwedal 18, B-1932 Sint-Stevens Woluwe, Brussels, and Deloitte Reviseurs d'Entreprises SC sous forme d'une S.C.R.L., represented by Philip Maeyaert and Frank Verhaegen, Partners, Berkenlaan 8b, B 1831 Diegem, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 31 March 2015. All are members of the *Instituut der Bedrijfsrevisoren (IBR)/Institut des Reviseurs d'Enterprises (IRE)*.

See also the "General Information" section below.

**11. Significant change in BNPPF's financing or trading position**

There has been no significant change in the financial or trading position of BNPPF since 31 December 2015.

**12. Material adverse change**

There has been no material adverse change in the prospects of BNPPF since 31 December 2015.

**13. Legal and arbitration proceedings**

Save as disclosed in the section "*Risk Factors relating to BNPPF*" and under "*Description of BNP Paribas Fortis SA/NV*" in this Base Prospectus and under Note 8.a (Contingent liabilities: legal proceeding and arbitration) on pages 128 to 129 in the 2015 Annual Report of BNPPF (which is incorporated by reference in this Base Prospectus), there have been no governmental, legal and arbitration proceedings during a period covering 12 months prior to this Base Prospectus which may have, or have had in the recent past, significant effects on BNPPF's and/or the BNP Paribas Group's financial position or profitability.

## **BOOK-ENTRY CLEARANCE SYSTEMS**

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Clearstream, Luxembourg, Euroclear, Euroclear France, Clearstream, Frankfurt, Iberclear or Monte Titoli (together, the "**Clearing Systems**") currently in effect and subject as provided in the applicable Final Terms. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of BNPP B.V., BNPP, BP2F, BNPPF or any agent party to the Note Agency Agreement will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

### ***Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt***

Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt also deal with domestic securities markets in several countries through established depository and custodial relationships. Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg, Euroclear and Clearstream, Frankfurt is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

### ***Euroclear France***

Euroclear France holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its respective account holders. Euroclear France customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

### ***Euroclear Finland***

Euroclear Finland Ltd. is a Finnish private limited liability company which manages account operations and clearing activities for the Finnish financial market. Euroclear Finland is an authorised central securities depository pursuant to the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)) and is acting under the supervision of the Finnish Financial Supervisory Authority (*Fin. Finanssivalvonta*). Euroclear Finland is owned by Euroclear SA/NV.

In order to effect entries in the Finnish book-entry securities system, a holder of securities or such holder's nominee must establish a book-entry account with Euroclear Finland or with a licensed account operator or register its securities through nominee registration. Each book-entry account must give the particulars of the account holder and other holders of rights to the book-entries in the account or of the manager of a nominee registration who manages the assets in the nominee-registered account, as well as information on the account operator for the account. The required information includes the type and number of the book-entry securities registered in the account as well as the rights and restrictions pertaining to the account and the book-entries. Any nominee-registered account must be identified when making entries in the account.

In conjunction with an issue of securities to be registered in the Euroclear Finland System (subject to certain exemptions), the relevant Issuer must engage a financial institution authorised by Euroclear Finland to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Finland.

### ***Euroclear Sweden***

Euroclear Sweden AB ("**Euroclear Sweden**") is a Swedish private limited liability company which manages account operations and clearing activities for the Swedish financial market. Euroclear Sweden is an authorised central securities depository pursuant to the Swedish Financial Instruments Accounts Act (*SFS 1998: 1479*) (*Sw. Lagen (1998:1479) om kontoföring av finansiella instrument*) and is acting under the supervision of the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*). Euroclear Sweden is owned by Euroclear S.A.

For each Security issued through Euroclear Sweden, a so called CSD register (*Sw. avstämningsregister*) (a "**CSD Register**") is created. The CSD Register will consist of a number of accounts, one for each holder of the Security in question. Such account is opened by the holder in person or by a nominee (*Sw. förvaltare*) on behalf of the holder. Title to a registered Security is transferred through registration in the system operated by Euroclear Sweden (the "**VPC System**").

In conjunction with an issue of securities to be registered in the VPC System, the relevant Issuer must engage a financial institution authorised by Euroclear Sweden to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Sweden.

### ***Iberclear***

"Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" – whose commercial name is Iberclear – is the Spanish Central Securities Depository. Iberclear is set up as a company as stated in article 44 bis of the "Stock Market" Law 24/1988, 28 July (article introduced by Section Two of Article 1 of the Reform Measures of the Financial System Law 44/2002, 22 November). Article "44" bis of Law 24/1988 dated 28 July assigns Iberclear the right of all functions as indicated in the legal regulations containing its legal regime, in accordance with the following: (a) to maintain the Securities Registry by means of book-entry form of all eligible securities listed on the Spanish Stock Exchanges and the Public Debt Market as well as the securities listed on other secondary markets when requested by the appropriate governing bodies; (b) to manage the settlement, and when appropriate, the clearing of securities and money resulting from those trades settled on the Stock Exchanges, Public Debt Market and, when appropriate, the secondary markets; (c) to provide technical and operational services directly related to the Registering, Clearing and Settlement of securities which allows Iberclear to collaborate in, or co-ordinate with, other services related to Registering, Clearing and Settlement of securities as well as allowing it to participate in them; and (d) anything else that the Government entrusts to Iberclear provided permission has been first sought from the market supervisory bodies, be it the CNMV (*Comisión Nacional del Mercado de Valores*) or the Banco de España.

### ***Monte Titoli***

Monte Titoli S.p.A. has been authorised to operate the settlement services by the Bank of Italy, which directly managed a securities settlement procedure in the past.

The Centralised Administration Service is carried out by Monte Titoli as the sole Italian Central Securities Depository.

Any type of non-derivative financial instrument, whether Italian or foreign, can be admitted to Monte Titoli's system and registered by means of book entries without any physical movement and with high standards of security and efficiency.

Nearly all the centralised securities are booked in dematerialised form. Financial instruments that still exist in paper form are represented by global or jumbo certificates.

Both Italian and non-resident intermediaries, issuers, or clearing and settlement institutions may participate in Monte Titoli's Centralised Administration Service.

### ***Euroclear UK & Ireland Limited***

CREST Dematerialised Securities will be issued and held in registered, uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof from time to time (the "**Uncertificated Securities Regulations**"), and as such are dematerialised securities and not constituted by any physical document of title. CREST Dematerialised Securities are participating securities for the purposes of the Uncertificated Securities Regulations. Title to the CREST Dematerialised Securities is recorded on the relevant operator register of eligible debt securities. The Operator is Euroclear UK & Ireland Limited.

The Euroclear Registrar on behalf of BNPP B.V. as Issuer will maintain a record of uncertificated eligible debt securities (the "**Record**") in relation to the CREST Dematerialised Securities and will procure that the Record is regularly updated to reflect the Operator register of eligible debt securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of CREST Dematerialised Securities shall be treated by BNPP B.V. as Issuer, BNPP as Guarantor, the Euroclear Registrar and any other person as the holder of such number of CREST Dematerialised Securities for all purposes (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions in the context of CREST Dematerialised Securities shall be construed accordingly), and (ii) none of BNPP B.V. as Issuer, BNPP as Guarantor, the Euroclear Registrar and any other person shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the Euroclear Registrar maintains are in accordance with particulars entered in the Operator register of eligible debt securities relating to the CREST Dematerialised Securities.

### **Transfers of Securities Represented by Global Securities**

Transfers of any interests in Securities represented by a Global Security within, Clearstream, Luxembourg, Euroclear, Euroclear France, and/or any other clearing systems as may be applicable will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Securities represented by a Global Security to such persons may depend upon the ability to exchange such Securities for Securities in definitive form. On or after the issue date for any Securities, transfers of such Securities between account Holders in Clearstream, Luxembourg, Euroclear and/or any other clearing system as may be applicable will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment may apply to such transfers.

For cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and/or any other clearing system as may be applicable, participants will need to have an agreed settlement date between the parties to such transfer. In the case of cross-market transfers, settlement between Clearstream, Luxembourg, Euroclear and/or any other clearing systems as may be applicable accountholders and Direct Participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

Clearstream, Luxembourg, Euroclear and any other clearing system as may be applicable have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Securities among participants and accountholders of Clearstream, Luxembourg, Euroclear and any other clearing systems as may be applicable. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, any Agent will be responsible for any performance by

Clearstream, Luxembourg, Euroclear or any other clearing system as may be applicable or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Securities represented by Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## **TAXATION**

The statements herein regarding taxation are based on the laws in force in the European Union, France, Portugal and the United States, as applicable, as of the date of this Base Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Securities. Each prospective holder or beneficial owner of Securities should consult its tax adviser as to each of the French, the Portuguese and the U.S. federal income tax consequences, as applicable, of any investment in or ownership and disposition of the Securities.

## FRENCH TAXATION

*The following is a summary addressing only the French compulsory withholding tax treatment of income arising from the holding of the Notes. This summary is based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect.*

### **Withholding taxes on Notes issued by BNPP B.V. and BP2F**

*This summary is prepared on the assumption that neither BNPP B.V. nor BP2F is and will be a French resident for French tax purposes and any transactions in connection with the Notes are not and will not be attributed or attributable to a French branch, permanent establishment or other fixed place of business of BNPP B.V. or BP2F in France.*

In respect of those Notes which are treated as debt for French tax purposes, all payments by BNPP B.V. or BP2F in respect of such Notes will be made free of any compulsory withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein.

However, if the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A of the French *Code général des impôts* and subject to certain limited exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Such interest and similar revenues are also subject to social contributions (CSG, CRDS and other related contributions) which are withheld at an aggregate rate of 15.5 per cent..

In respect of those Notes which are not treated as debt for French tax purposes, all payments by BNPP B.V. or BP2F in respect of such Notes will be made free of any compulsory withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein.

### **Transfer tax and other taxes**

*The following may be relevant in connection with Notes which may be, redeemed or repaid by way of physical delivery of certain French listed shares (or certain assimilated securities) or securities representing such shares (and assimilated securities).*

Pursuant to Article 235 *ter* ZD of the French *Code général des impôts*, a financial transaction tax (the "**Financial Transaction Tax**") is applicable to any acquisition for consideration, resulting in a transfer of ownership, of an equity security (*titre de capital*) as defined by Article L.212-1 A of the French *Code monétaire et financier*, or of an assimilated equity security, as defined by Article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognised stock exchange when the said security is issued by a company whose registered office is situated in France and whose market capitalisation exceeds 1 billion Euros on 1 December of the year preceding the year in which the acquisition occurs (the "**French Shares**") or (ii) securities representing French Shares (irrespective of the location of the issuer of such securities). The Financial Transaction Tax could apply in certain circumstances to the acquisition of French Shares (or securities representing French Shares) in connection with the repayment or redemption of any Notes.

There are a number of exemptions from the Financial Transaction Tax and investors should consult with their counsel to identify whether they can benefit from them.

The rate of the Financial Transaction Tax is 0.2 per cent. of the acquisition value of the French Shares (or securities representing French Shares).

If the Financial Transaction Tax applies to an acquisition of French Shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1 per cent. to the sale of shares issued by a

company whose registered office is situated in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.

## PORTUGUESE TAXATION

The following summary describes the tax regulations applicable to the acquisition, ownership, redemption and transfer, if any, of the Securities by Portuguese resident individual or corporate investors under current Portuguese law, though it does not take into account any developments or amendments thereof after the date of this Base Prospectus whether or not such developments or amendments have retroactive effect.

It should be noted that this summary does not explain all possible tax consequences of the above-mentioned transactions or the tax regulations applicable to all categories of Securities' holders, some of which may be subject to special rules.

Prospective investors are therefore advised to consult their lawyers or tax advisers, who will be in a position to provide personalised advice in the light of their particular circumstances. Prospective investors should also pay attention to any changes in currently applicable legislation or administrative interpretations thereof that may occur in the future.

### 1. Notes and other debt securities

#### (i) Individual investors

##### (a) *Income arising from notes and other debt securities*

Income deriving from notes and other debt securities issued by non-resident entities is subject to a 28 per cent. withholding tax, if the payment is made by a Portuguese resident entity.

Income deriving from notes and other debt securities paid or made available ("*colocado à disposição*") to accounts in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

The investor may choose to treat the withholding tax as a final tax (when applicable) or to tax the income deriving from notes and other debt securities at the general progressive tax rates varying between 14.5 per cent. and 48 per cent. (plus (i) an additional surcharge of 2.5 per cent. applicable on income exceeding € 80,000 and up to €250,000 and of 5 per cent. applicable on income exceeding € 250,000, and (ii) a surtax varying between 1 per cent. and 3.5 per cent on income exceeding the annual national minimum wage)., in which case the withholding will be treated as a payment on account of the final tax due.

In case the payer of the income is not a Portuguese resident entity, no withholding tax applies and the investor may choose between the taxation of income deriving from secured certificates, notes and other debt securities issued by non-resident entities at an autonomous rate of 28 per cent. (or 35 per cent. when income is paid or made available by an entity resident in a Tax Haven) or to aggregate that income to the remaining income to be subject to the general progressive tax rates varying between 14.5 per cent. and 48 per cent. (plus (i) an additional surcharge of 2.5 per cent. applicable on income exceeding € 80,000 and up to €250,000 and of 5 per cent. applicable on income exceeding € 250,000, and (ii) a surtax varying between 1 per cent. and 3.5 per cent on income exceeding the annual national minimum wage).

##### (b) *Income arising from the transfer or redemption of notes and other debt securities*

Regarding the capital gains obtained on the transfer or redemption of notes and debt securities, the investor may choose between the taxation of the positive difference between capital gains and losses

at an autonomous rate of 28 per cent. or to aggregate that income to the remaining income to be subject to the general progressive tax rates varying between 14.5 per cent. and 48 per cent. (plus (i) an additional surcharge of 2.5 per cent. applicable on income exceeding € 80,000 and up to €250,000 and of 5 per cent. applicable on income exceeding € 250,000, and (ii) a surtax varying between 1 per cent. and 3.5 per cent on income exceeding the annual national minimum wage).

Capital losses do not take part in the calculation of the net capital gains when the counterpart in the operation is resident in a Tax Haven.

Income obtained by resident individuals arising from capital gains related to notes and other debt securities is not subject to Portuguese withholding tax.

(ii) **Corporate investors**

In general, interest and income arising from the transfer or redemption of notes and other debt securities is subject to a 25 per cent. withholding on account of the final tax due, if the issuer is a Portuguese resident entity.

No withholding tax shall be levied when the issuer of the notes and other debt securities is a non resident entity or on gains obtained in the transfer or redemption of the notes and other debt securities.

Interest and income arising from the transfer or redemption of notes and other debt securities is regarded as taxable income and therefore subject to Portuguese CIT, as a general rule, at a 21 per cent. tax rate, possibly added to a municipal surcharge up to a maximum of 1.5 per cent. of the CIT. A state surcharge is applicable to income obtained by CIT taxable entities as follows: (a) taxable income exceeding € 1,500,000 up to € 7,500,000 will be subject to a State surcharge of 3 per cent., (b) taxable income exceeding € 7.500.000 up to € 35.000.000 will be subject to a State surcharge of 5 per cent and (iii) taxable income above € 35,000,000 will be subject to a State surcharge of 7 per cent.

**2. Indirect Taxation**

The acquisition, redemption and transfer for a consideration of the Securities will not be subject to any Transfer Tax or Stamp Tax in Portugal and will be exempt from Portuguese Value Added Tax, in accordance with the Portuguese legislation.

**3. Stamp Tax and CIT on Inheritance and Gifts**

Acquisition of the Securities by individuals not for valuable consideration (by way of inheritance or gift) is subject to Stamp Tax, at a 10 per cent. rate, if the corresponding Issuer has its head office or its effective place of management in Portugal or a permanent establishment in this territory and the acquirer is a Portuguese resident.

Acquisition of the Securities by Portuguese resident corporate investors not for valuable consideration (by way of inheritance or gift) is regarded as taxable income and therefore subject to Portuguese CIT, as a general rule, at a 21 per cent. tax rate, possibly added to a municipal surcharge up to a maximum of 1.5 per cent.. A state surcharge is applicable to income obtained by CIT taxable entities as follows: (a) taxable income exceeding € 1,500,000 up to € 7,500,000 will be subject to a State surcharge of 3 per cent., (b) taxable income exceeding € 7.500.000 up to € 35.000.000 will be subject to a State surcharge of 5 per cent and (iii) taxable income above € 35,000,000 will be subject to a State surcharge of 7 per cent.

Acquisition of the Securities by non-resident corporate investors not for valuable consideration (by way of inheritance or gift) is subject to CIT, at a 25 per cent. rate, if the corresponding Issuer has its head office or its

effective place of management in Portugal. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case by case basis.

#### **4. EU Savings Directive/Mandatory Automatic Exchange of Information**

Portugal has implemented the EC Council Directive 2003/48/EC of 3 June 2003 on taxation savings income into the Portuguese law through Decree-Law no 62/2005, of 11 March 2005, as further amended.

Meanwhile, further measures in the field of information exchange were adopted at the European Union-level, namely with the approval by the European Council of the Directive no. 2014/107/EU of 9 December 2014) which amended EU Council Directive no. 2011/16/EU ("**Administrative Cooperation Directive**") to extend the mandatory automatic exchange information to a wider range of income, including financial income, in line with the Standard for Automatic Exchange of Financial Account Information in Tax Matters issued by OECD in July 2014 and with the bilateral exchange agreements between the United States of America and several other countries to implement the United States' Foreign Account Tax Compliance Act ("**FATCA**").

Given the broader scope of Council Directive no. 2014/107/EU and in order to prevent overlap between the EU Savings Directive and Administrative Cooperation Directive (as amended by Council Directive no. 2014/107/EU), the EU Savings Directive has been repealed with effect from 1 January 2016 (and from 1 January 2017 in case of Austria) by the Council Directive 2015/2060 of 10 November 2015.

Notwithstanding, certain provisions of the EU Savings Tax Directive, namely the obligation to provide the tax authorities of another Member State with details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State will continue to be effective during 2016 or, in any case, until those obligations have been fulfilled.

Although Portugal was required to implement the Council Directive no. 2014/107/EU by no later than 1 January 2016, the above mentioned Council Directive has not been yet implemented under the Portuguese national legislation.

Prospective investors tax resident in Portugal should consult their own legal or tax advisers regarding the consequences of the Council Directive no. 2014/107/EU in their particular circumstances.

## U.S. HIRING INCENTIVES TO RESTORE EMPLOYMENT ACT WITHHOLDING

The U.S. Hiring Incentives to Restore Employment Act introduced Section 871(m) of the U.S. Internal Revenue Code of 1986 (the **Code**) which treats a "dividend equivalent" payment as a dividend from sources within the United States. Under Section 871(m), such payments generally would be subject to a 30% U.S. withholding tax that may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the IRS. A "**dividend equivalent**" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) and (ii). Recently published final U.S. Treasury regulations issued under Section 871(m) (the **Section 871(m) Regulations**) will, when effective, require withholding on certain non-U.S. holders of the Securities with respect to amounts treated as attributable to dividends from certain U.S. securities. Under the Section 871(m) Regulations, only a Security that has an expected economic return sufficiently similar to that of the underlying U.S. security, as determined on the Security's issue date based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Security a **Specified Security**). The Section 871(m) Regulations provide certain exceptions to this withholding requirement, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Security or upon the date of maturity, lapse or other disposition by the non-U.S. holder of the Specified Security. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Securities issued beginning 1 January 2017. If the terms of a Security are subject to a "significant modification" such that the Security is treated as retired and reissued, it could lose its "grandfathered" status and might become a Specified Security based on economic conditions in effect at that time.

Upon the issuance of a series of Securities, the Issuer will state in the Final Terms if it has determined that they are Specified Securities, in which case a non-U.S. holder of the Securities should expect to be subject to withholding in respect of any dividend-paying U.S. securities underlying those Securities. The Issuer's determination is binding on non-U.S. holders of the Securities, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Securities linked to U.S. securities and their application to a specific issue of Securities may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Securities.

## FOREIGN ACCOUNT TAX COMPLIANCE ACT

Sections 1471 through 1474 of the Code ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the IRS to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of an Issuer (a "**Recalcitrant Holder**"). The Issuers are classified as FFIs.

The new withholding regime is now in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2019. This withholding would potentially apply to payments in respect of (i) any Securities characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "**grandfathering date**", which (A) with respect to Securities that give rise to foreign passthru payments is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register and (B) with respect to Securities that give rise to dividend equivalent payments, as discussed above under "*Hiring Incentives to Restore Employment Act*" is July 1, 2017, or which are materially modified after the grandfathering date and (ii) any Securities characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Securities are issued on or before the grandfathering date, and additional Securities of the same series are issued after that date, the additional Securities may not be treated as grandfathered, which may have negative consequences for the existing Securities, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States has entered into an IGA with each of the Netherlands, France, Belgium and Luxembourg (the "**Relevant IGAs**") based largely on the Model 1 IGA.

If the Issuer is treated as Reporting FI pursuant to the Relevant IGA it does not anticipate that it will be obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Securities are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Securities is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

While the Securities are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Securities by the Issuer, any paying agent and the common depository or common safekeeper, given that each of the entities in the payment chain between the Issuers and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Securities. The documentation expressly contemplates the possibility that the Securities may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Securities will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the Relevant IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to an Issuer and to payments they may receive in connection with the Securities.

## **OTHER TAXATION**

The payment of the Cash Settlement Amount on the Securities, if any, will be made subject to withholding taxes and other taxes which the law may impose on holders of the Securities.

Individuals and legal entities should consult their usual tax advisors with respect to the tax treatment which applies to them.

In addition, holders of the Securities should comply with the tax laws applicable in the jurisdiction in which they are resident, subject to the application of any applicable tax treaty in force between France or, as the case may be, the Netherlands, and such jurisdiction.

Purchasers of Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Security.

TRANSACTIONS INVOLVING SECURITIES MAY HAVE TAX CONSEQUENCES FOR POTENTIAL PURCHASERS WHICH MAY DEPEND, AMONGST OTHER THINGS, UPON THE STATUS OF THE POTENTIAL PURCHASER AND LAWS RELATING TO TRANSFER AND REGISTRATION TAXES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION OF ANY ASPECT OF TRANSACTIONS INVOLVING SECURITIES SHOULD CONSULT THEIR OWN TAX ADVISERS.

Transactions involving Securities may have tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and may relate to transfer and registration taxes.

Condition 6 should be considered carefully by all potential purchasers of any Securities.

All prospective holders should seek independent advice as to their tax positions.

## U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain restrictions on employee benefit plans ("**ERISA Plans**") that are subject to ERISA and on persons who are fiduciaries with respect to these ERISA Plans. In accordance with ERISA's general fiduciary requirements, a fiduciary with respect to an ERISA Plan who is considering the purchase of U.S. Securities on behalf of the ERISA Plan should determine whether the purchase is permitted under the governing ERISA Plan documents and is prudent and appropriate for the ERISA Plan in view of its overall investment policy and the composition and diversification of its portfolio. Other provisions of ERISA and Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts ("**IRAs**") or Keogh plans (together with any entities whose underlying assets include the assets of any such plans or accounts and with ERISA Plans, "**Plans**")) and persons who have certain specified relationships to the Plan ("parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of Section 4975 of the Code). A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or the Code. A fiduciary of a Plan (including the owner of an IRA) that engages in a prohibited transaction may also be subject to penalties and liabilities under ERISA and/or the Code.

BNPP, directly or through its Affiliates, may be considered a "party in interest" or a "disqualified person" with respect to many Plans. The purchase of U.S. Securities by a Plan with respect to which BNPP is a party in interest or a disqualified person may constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire such U.S. Securities and the circumstances under which such decision is made. Included among these exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 84-14 (an exemption for certain transactions determined by an independent qualified professional asset manager), PTCE 91-38 (an exemption for certain transactions involving bank collective investment funds), PTCE 90-1 (an exemption for certain transactions involving insurance company pooled separate accounts) and PTCE 95-60 (an exemption for certain transactions involving insurance company general accounts), PTCE 96-23 (an exemption for certain transactions determined by an in-house asset manager). In addition, the exemption under section 408(b)(17) of ERISA and section 4975(d)(20) of the Code may be available, provided (i) none of BNPP or the U.S. Dealers or affiliates or employees thereof is a Plan fiduciary that has or exercises any discretionary authority or control with respect to the Plan's assets used to purchase the U.S. Securities or renders investment advice with respect to those assets and (ii) the Plan is paying no more than adequate consideration for the U.S. Securities. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the U.S. Securities. Any Plan fiduciary (including the owner of an IRA) considering the purchase of U.S. Securities should consider carefully the possibility of prohibited transactions and the availability of exemptions. U.S. governmental, church and non-U.S. plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to local, state, federal or non-U.S. laws that are substantially similar to the foregoing provisions of ERISA and the Code. **ANY PENSION OR OTHER EMPLOYEE BENEFIT PLAN, INCLUDING ANY SUCH GOVERNMENTAL, CHURCH OR NON-U.S. PLAN AND ANY INDIVIDUAL RETIREMENT ACCOUNT, PROPOSING TO ACQUIRE ANY U.S. SECURITIES SHOULD CONSULT WITH ITS COUNSEL.**

By its purchase of any U.S. Security, the purchaser or transferee thereof (and the person, if any, directing the acquisition of the U.S. Securities by the purchaser or transferee) will be deemed to represent, on each day from the date on which the purchaser or transferee acquires the U.S. Securities through and including the date on which the purchaser or transferee disposes of its interest in such U.S. Securities, either that (a) such purchaser or transferee is not a Plan, an entity whose underlying assets include the assets of any Plan by reason of Department of Labor Regulation section 2570.3-101 (as modified by Section 3(42) of ERISA) or otherwise, or a governmental, church or non-U.S. plan which is subject to any non-U.S., federal, state or local law that is substantially similar to the provisions of Section 406 of

ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of such U.S. Securities (including, if applicable, the receipt of any Guarantee or Entitlement) will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in the case of a governmental, church or non-U.S. plan, any substantially similar non-U.S., federal, state or local law) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied.

Nothing herein shall be construed as a representation that any investment in U.S. Securities would meet any or all of the relevant legal requirements with respect to investments by, or is appropriate for, Plans generally or any particular Plan. U.S. Securities sold by BNPP B.V. may be subject to additional restrictions.

The above discussion may be modified or supplemented with respect to a particular offering of U.S. Securities, including the addition of further ERISA restrictions on purchase and transfer. Holders should consult the applicable Final Terms for such additional information.

## OFFERING AND SALE

No action has been or will be taken by BNPP B.V., BNPP, BP2F, BNPPF or the Managers that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BNPP B.V., BNPP, BP2F, BNPPF and/or the Managers.

### United States

None of the Securities, the Guarantees or, in the case of Physical Delivery Securities, the Entitlement to be delivered upon the exercise (in the case of Physical Delivery Warrants) or the redemption (in the case of Physical Delivery Certificates) of such Securities has been, or will be, registered under the Securities Act or any state securities laws, and trading in the Securities has not been approved by the Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"). None of the Issuers has registered as an investment company pursuant to the Investment Company Act. The Securities are being offered and sold in "offshore transactions" to persons other than "U.S. persons" in reliance on Regulation S under the Securities Act ("**Regulation S**") and accordingly may not be offered, sold, pledged, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In connection with sales of U.S. Securities outside the United States, each relevant U.S. Dealer will be required to agree that, except as described in the preceding paragraph, it has not offered, sold or delivered, and will not offer, sell or deliver, any Securities within the United States or to, or for the account or benefit of, U.S. persons (a) as part of its distribution at any time and (b) otherwise until 40 days after the later of the commencement of an offering and the closing date, and it will have sent to each dealer or distributor to which it sells such U.S. Securities during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of such U.S. Securities within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until the expiration of the 40-day Distribution Compliance Period with respect to an offering of U.S. Securities pursuant to the registration exemption contained in Regulation S under the Securities Act, an offer or sale of such U.S. Securities within the United States by any dealer that is not participating in such offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another available exemption under the Securities Act.

Terms used above that are defined in Rule 144A or Regulation S have the meanings given to them therein, as applicable.

Securities in bearer form that are debt for U.S. federal income tax purposes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain circumstances permitted by U.S. Treasury regulations. The applicable Final Terms will specify whether the provisions of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) ("**TEFRA D**") apply or do not apply ("**TEFRA not applicable**") to the issuance of Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the Treasury regulations promulgated thereunder.

The Final Terms in respect of any U.S. Securities will set forth additional information relating to the offer, sale or distribution of U.S. Securities.

## European Economic Area

Please note that in relation to EEA States, additional selling restrictions may apply in respect of any specific EEA State, including those set out below in relation to France and Portugal.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") offers of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State may not be made except, with effect from and including the Relevant Implementation Date, offers of such Securities to the public in that Relevant Member State may be made:

- (a) if the final terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to those Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Issuer or any Manager for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the relevant Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

## Australia

This document and the offer of Notes is only made available in Australia to persons to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). This document is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of Australian Law, and is not required to, and does not, contain all the information which would be required in a product disclosure statement or prospectus under Australian law.

This document is only provided on the condition that the information in and accompanying this document is strictly for the use of prospective investors and their advisers only. Neither this document nor any extract or conclusion from this document may be provided to any other person in Australia without the written consent of the Issuer which it may withhold in its absolute discretion. This document has not been and will not be lodged or registered with the Australian

Securities and Investments Commission or the ASX Limited or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian Financial Services licences. No cooling off regime applies to an acquisition of the Notes. Under no circumstances is this document to be used by a retail client for the purpose of making a decision about a financial product.

This document contains general advice only and does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making an investment decision in relation to this document, you should assess whether the acquisition of the Notes is appropriate in light of your own financial circumstances or seek professional advice.

An investor may not transfer or offer to transfer Notes to any person located in, or a resident of Australia, unless the person is a person to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). There may be restrictions on the offer for re-sale of any Notes in Australia for a period of 12 months after their issue. Because of these restrictions, investors are advised to consult legal counsel prior to making any offer for re-sale of Notes in Australia.

## **France**

In the period beginning on the date of the approval by the *Autorité des marchés financiers* (the "AMF") of this Base Prospectus for the purposes of the Prospectus Directive, and ending at the latest on the date which is 12 months after the date of such approval, each Issuer and any Authorised Offeror of an issue of Securities may make an offer of Securities:

- (a) to the public in France, as defined in Article L.411-1 of the French *Code monétaire et financier* and in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the provisions of the *Règlement général* of the AMF; and/or
- (b) in circumstances that do not constitute an offer to the public in France pursuant to Article L.411-2 of the French *Code monétaire et financier* and Article 211-2 of the *Règlement général* of the AMF

Pursuant to Article L.411-2 of the French *Code monétaire et financier* and Article 211-2 of the *Règlement général* of the AMF, (in each case as may be amended from time to time), the circumstances in which an offer of Securities shall not constitute an offer to the public in France include, but are not limited to, an offer of Securities:

- (i) addressed solely to qualified investors (*investisseurs qualifiés*), acting for their own account; and/or
- (ii) addressed solely to a limited number of investors (*cercle restreint d'investisseurs*) acting for their own account; and/or
- (iii) addressed solely to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*); and/or
- (iv) addressed to investors who acquire Securities for a total consideration of at least euro 100,000 (or its equivalent in another currency) per investor, for each separate offer; and/or
- (v) whose notional amount, nominal amount or equivalent amounts to at least euro 100,000 (or its equivalent in another currency); and/or
- (vi) with a total consideration of less than euro 100,000 (or its equivalent in another currency), which limit shall be calculated over a period of 12 months.

## **Hong Kong**

No person:

- (a) has offered or sold or will offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) has issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## India

### Additional provisions for use with Indian underliers

Each holder of Securities and each beneficial owner of a Note represents and warrants, as a condition to purchasing or owning such Notes that:

- (a) it is not:
  - (i) a "person resident in India" (as such term is defined in the Income Tax Act, 1961 ("**Income Tax Act**"), as may be amended or supplemented from time to time);
  - (ii) a "Non-Resident Indian" (as such term is defined in the Income Tax Act, as may be amended or supplemented from time to time);
  - (iii) Category II- unregulated broad based funds that are not appropriately regulated but whose investment manager is appropriately regulated (as such term is defined under Regulation (5)(b)(iii) of FPI Regulations), other than a "Grandfathered Client", which refers to an entity which was registered as a client eligible to subscribe for and hold Offshore Derivative Instruments ("**ODIs**") by the Issuer or its associates/affiliates or any other intermediary under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, including any entity which was registered but did not have positions, as on January 07, 2014; or
  - (iv) Category III foreign portfolio investors (as such term defined under Regulation (5)(c) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (the "**FPI Regulations**"), other than a "Grandfathered Client" (each a "Restricted Entity").

Provided that it shall notify the Issuer immediately, as soon as it is registered as a Restricted Entity under clause (iii) and (iv) above, either consequent to filing of an application with a Designated Depository Participant (as defined under the FPI Regulations) or as a result of a re-categorization and shall take all steps as may be required by the Issuer, including, if required, to ensure that the ODI transaction is terminated immediately and in the manner required by the Issuer.

Provided further that the holder subscribing to the Notes would not result in Restricted Entities under (iii) and (iv) above indirectly subscribing to or dealing in ODIs.

Provided further that, in case the holder is a Grandfathered Client then it:

- (i) undertakes and agrees to provide the Issuer with such information and documentary evidence (including, but not limited to documentary confirmation that the holder had subscribed to ODIs issued by other intermediaries, under the erstwhile Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) ("**FII Regulations**") as may be requested by the Issuer to demonstrate that the holder is a Grandfathered Client;
  - (ii) confirms that there has been no change, and undertakes to inform the Issuer immediately of any change in the future, in the factors which led to it being eligible to subscribe for and hold ODIs in accordance with the FII Regulations, including but not limited to its status as a broad based fund or the regulated status of its investment manager or adviser; and
  - (iii) undertakes that in the case a holder changes investment managers/advisers/sub-managers/sub-advisers (each, an "**Manager/Adviser Transfer**"), such holder shall issue a written notice to the Issuer in such form as the Issuer may determine thirty (30) Hong Kong business days prior to the Manager/Adviser Transfer.
- (b) each holder is not a person/entity whose controller is a Restricted Entity.

For the purposes of this representation, a "controller" means any person/entity or group of persons (acting pursuant to any agreement or understanding (whether formal or informal, written or otherwise)) that, in respect of a person/entity, who:

- (i) is/are entitled to exercise, or control the exercise of, a majority or more of the voting power of such person/entity, or
- (ii) holds or is otherwise entitled to a majority or more of the economic interest in such person/entity, or
- (iii) who in fact exercises control over such person/entity.

For the purposes of this representation, "control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner. However, a director or officer will not be considered to be in control, merely by virtue of holding such position.

Notwithstanding the foregoing definition, in the case only where a person's/entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such person's/entity's controller for the purposes of this representation by reason only of it being able to control the decision-making in relation to the person's/entity's financial, investment and/or operating policies.

- (c) it is an Eligible Entity, i.e. a "person regulated by an appropriate foreign regulatory authority" (as such term and/or requirements relating thereto are defined or otherwise interpreted by any Indian governmental or regulatory authority (each an "Authority") for the purposes of Regulation 22 of the FPI Regulations (as may be amended or supplemented from time to time)) or a person otherwise specifically identified by the Securities and Exchange Board of India as permitted to invest in offshore derivative instruments.
- (d) the purchase or ownership of this Note or any interest in this Note has not been entered into with the intent of circumventing or otherwise avoiding any requirements applicable under any laws applicable in India (including, without limitation, the FPI Regulations and/or any other subsidiary regulations or circulars issued pursuant thereto (including, without limitation, any restrictions applying to foreign portfolio investors in relation to their issuances and/or other dealings in offshore derivative instruments (as such term is defined in the FPI Regulations) with, Restricted Entities and persons/entities who are not Eligible Entities) or laws governing dealing in the securities market, including the Securities and Exchange Board of India (Prohibition

of Insider Trading) Regulations, 1992, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, each as amended from time to time, together with any modifications thereto or re-enactments thereof).

(e) the holder:

- (i) is a resident of a country whose securities market regulator is a signatory to International Organization of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Securities and Exchange Board of India ("SEBI") (as defined under the FPI Regulations);
- (ii) being a bank, is a resident of a country whose central bank is a member of Bank for International Settlements;
- (iii) is not resident in a country identified in the public statement of Financial Action Task Force as (i) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or (ii) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies;
- (iv) is legally permitted to invest in securities outside the country of its incorporation or establishment or place of business;
- (v) is authorized by its Memorandum of Association and Articles of Association or equivalent documents or the agreement to transact in ODIs;
- (vi) is a fit and proper person based on the criteria specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008;
- (vii) has sufficient experience, good track record, is professionally competent, financially sound and has a generally good reputation of fairness and integrity; and
- (viii) has not been restricted or constrained (including, without limitation, by any authority, regulator or court), from investing in its home country or overseas, or, convicted for any money laundering related offence;
- (ix) does not have an opaque structure (as such term is defined in the FPI Regulations). As per the FPI Regulations, a holder satisfying the following criteria shall not be considered as having an opaque structure: (i) any ring fencing of assets and liabilities from other funds or sub-funds is required by its regulator or under any other applicable law; (ii) it is regulated in its home jurisdiction; (iii) each fund or sub fund, which will be making investments in India, satisfies the broad based fund criteria (as such term is defined in the FPI Regulations); and (iv) it undertakes to provide information regarding its beneficial owners as and when the Issuer or SEBI seeks this information, as the case may be.
- (x) in case it is a multi class share vehicle by constitution and has more than one class of shares or an equivalent structure, either (i) maintains a common portfolio for all classes of shares and satisfies the broad based fund criteria (as such term is defined in the FPI Regulations), or (ii) maintains a segregated portfolio for separate classes of shares and ensures that the class of shares which will be making investments in India, satisfies the broad based fund criteria (as such term is defined in the FPI Regulations).

- (f) it shall ensure that investment (including, synthetically through ODIs) by each holder, whether directly in its own name as a foreign portfolio investor or as an ODI subscriber, or by entities in the "investor group" (as such term is defined in Paragraph 4.0 of the SEBI Circular dated January 8, 2014 on Operational Guidelines for Designated Depository Participants) to which the holder belongs, in equity shares of each Indian company is below ten percent of the total issued capital of the company and the holder shall provide information in this regard to the Issuer, as and when and in such form and manner as may be required;
- (g) the purchase or ownership of this Note or any interest in this Note does not violate any applicable laws (including, without limitation, any legislations, rules, regulations, notifications, circulars or guidelines), or, any orders or directives, which may be issued from time to time, including in relation to the eligibility and permissibility of each holder to transact in ODIs;
- (h) this Note or any interest in this Note has been purchased (and held) as a principal for the holder's own account and not as an agent, nominee, trustee or representative of any other person/entity and that the holder has not entered into any agreement or arrangement for the issuance of a back-to-back ODI against such Note;

Each holder of Notes and each beneficial owner of a Note agrees and undertakes that:

- (A) it will not, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of this Note or any interest in this Note to or for the benefit or account of any Restricted Entity;
- (B) it will not, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of this Note or any interest in this Note to or for the benefit or account of any person/entity who is not an Eligible Entity;
- (C) it consents to the provision by the Issuer to any Authority of any information in its possession regarding it and the Note or its interest in the Notes as the Issuer reasonably deems necessary or appropriate in order to comply with the regulations or requests of such Authority from time to time; and
- (D) it will, at its option, either:
  - (I) provide to the Issuer such additional information as the Issuer reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time (the "**Additional Information**"); or
  - (II) subject to such Authority accepting such direct provision, provide such Additional Information directly to such Authority and confirm to the Issuer that it has done so.
- (E) it agrees that in the event of any non-compliance with, or breach, violation or contravention by the holder of any of the terms set out herein, the Issuer may notify any Authority of any such breach, violation or contravention and exercise any rights and take any measures available to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention.
- (F) it agrees that the Issuer may, to the extent required to comply with applicable laws, regulations, notifications, circulars, rules, guidelines, clarifications, directions, orders and/or decrees issued by a governmental or regulatory authority, unilaterally modify the restrictions set out herein after purchase of the Notes and notify the holder of the same;
- (G) it undertakes to promptly notify the Issuer should any of the warranties, agreements, undertakings and representations set out herein, are breached, change or no longer hold true;

This document has not been and will not be registered as a prospectus either with the Registrar of Companies or with any other regulatory authority in India, and the holder will not circulate or distribute this document or any other offering document or material relating to the Notes to any person in India.

## Japan

No Securities of any series have been or will be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and Securities may not be offered or sold directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949, as amended) or to others for re offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## Korea

The Securities have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act (the "**FSCMA**"). The Securities may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law (the "**FETL**") and the decrees and regulations thereunder. The Securities may not be resold to Korean residents unless the purchaser of the Securities complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the FETL and its subordinate decrees and regulations) in connection with the purchase of the Securities.

## Portugal

No offer of the Securities may be made in Portugal except under circumstances that will result in compliance with the rules concerning the marketing of such Securities and with the laws of Portugal generally.

In relation to Portugal, the Securities may not be offered to the public in Portugal, except that an offer of the Securities to the public in Portugal may be made:

- (a) in the period beginning on the date of publication of a prospectus in relation to the Securities which has been approved by the Portuguese Securities Exchange Commission ("**Comissão do Mercado de Valores Mobiliários**", or the "**CMVM**") in accordance with the Prospectus Directive or, where appropriate, published in another Member State and notified to the CMVM all in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to any entities who are considered as qualified investors according to article 30 of the Portuguese Securities Code ("**Código dos Valores Mobiliários**"); and
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the securities to the public" in relation to any Securities in Portugal means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measures in Portugal.

## The People's Republic of China

The Securities may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly, in the People's Republic of China (the "**PRC**") (excluding Hong Kong, Macau and Taiwan) in contravention of any applicable laws or (if the Securities are linked to A-Shares (as

defined below)) to any Domestic Investor as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited.

"**A-Share**" means shares of the companies incorporated in the PRC that are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange and quoted in Renminbi.

The term "**Domestic Investor**" is defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited and includes the following:

- (a) PRC citizens resident in the PRC (excluding Hong Kong, Macau and Taiwan);
- (b) PRC citizens resident outside the PRC who are not permanent residents of another country or permanent residents of Hong Kong, Macau or Taiwan; and
- (c) Legal persons registered in the PRC (excluding Hong Kong, Macau and Taiwan).

"**Legal persons registered in the PRC**" excludes foreign entities incorporated or organised in other jurisdictions even though they may have an office (i.e. a branch) in the PRC.

"**PRC citizens**" used in the rules do not include persons who are permanent residents of Hong Kong, Macau or Taiwan.

"**Renminbi**" means the lawful currency of the PRC.

## **Singapore**

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). The Securities may not be offered or sold, nor may the Securities be the subject of an invitation for subscription or purchase, nor may this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Securities be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are acquired by persons who are relevant persons specified in Section 276 of the SFA, namely:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor (under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or arising from an offer referred to in Section 276(4)(i)(B) of the SFA (in the case of that trust);
- (2) where no consideration is or will be given for the transfer;

- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA.

#### **Taiwan**

The Securities may not be sold offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase by such investors outside Taiwan so long as no solicitation or other activities take place (A) in Taiwan or (B) otherwise in violation of any applicable Taiwan law or regulation and/or (ii) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products under which rules the Securities have been registered in Taiwan.

#### **Thailand**

This Base Prospectus has not been approved by or filed with the Securities and Exchange Commission or any other regulatory authority of the Kingdom of Thailand. Accordingly, the Securities may not be offered or sold, or this Base Prospectus or any other documents relating to the offer of the Securities be distributed, directly or indirectly, to any person in Thailand except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the Thai government and regulatory authorities in effect at the relevant time.

## GENERAL INFORMATION

### 1. Authorisation

The establishment of the Programme was approved by resolutions of the Board of Directors of BNPP B.V. dated 8 May 2003. The update of the Programme and the issue of Securities under the Programme were approved by (i) resolutions of the Board of Directors of BNPP B.V. dated 31 May 2016 and (ii) circular resolutions of the Board of Directors of BP2F dated on or about 23 May 2016. The update of the Programme and the giving of the Guarantees was approved by resolutions of the Executive Board of BNPPF passed on 12 May 2016. No authorisation procedures are required of BNPP by French law for the update of the Programme or the giving of the Guarantees.

### 2. Approval and Listing

This Base Prospectus has received visa n°16-236 on 9 June 2016 from the AMF.

Application has also been made to Euronext Paris for Securities issued under the Programme to be admitted to trading on Euronext Paris and to admit the Securities for trading described herein on the regulated market of Euronext Paris and to be listed on Euronext Paris and application may be made to list Securities on other stock exchanges as set out in the applicable Final Terms and, if relevant, the applicable Final Terms will include information on the relevant Market segment of the stock exchange on which the securities are to be listed.

### 3. Notification

Each Issuer may request the AMF to provide the competent authority of any EEA State with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with Article 212-2 of its *Règlement Général*.

### 4. Documents Available

From the date hereof and so long as Securities are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection at the specified office for the time being in Luxembourg of BNP Paribas Securities Services, Luxembourg Branch and at the specified office for the time being in Paris of BNP Paribas Arbitrage S.N.C.:

- (i) copies of the Statuts of BNPP;
- (ii) copies of the constitutional documents of BNPP B.V., BNP Paribas, BP2F and BNPPF;
- (iii) the audited annual consolidated financial statements of BNPP for the years ended 31 December 2014 and 31 December 2015;
- (iv) the audited annual non-consolidated financial statements of BNPP B.V. for the years ended 31 December 2014 and 31 December 2015 (BNPP B.V. does not produce consolidated annual reports);
- (v) the latest audited annual consolidated financial statements of BNPPF for the years ended 31 December 2014 and 31 December 2015 together with any explanatory notes and independent auditors' or, as the case may be, statutory auditors' report accompanying such financial statements or annual accounts;
- (vi) the latest audited annual accounts of BP2F for the years ended 31 December 2014 and 31 December 2015 together with any explanatory notes and independent auditors' or, as the case may be, statutory auditors' report accompanying such financial statements or annual accounts;

- (vii) the cash flow statements of BP2F for the years ended 31 December 2014 and 31 December 2015 and the audit report thereon issued by Deloitte Société à responsabilité limitée as independent auditor (*réviseur d'entreprises*) and as approved independent auditor (*réviseur d'entreprises agréé*);
- (viii) the most recently published audited annual consolidated financial statements and unaudited semi-annual consolidated financial statements and quarterly results of BNPP;
- (ix) the most recently published unaudited semi-annual interim non-consolidated financial statements of BNPP B.V. (BNPP B.V. does not produce consolidated annual reports);
- (x) copies of the Guarantees;
- (xi) the Deed of Covenant and Note Agency Agreement (which includes the forms of the Global Notes and the definitive Notes, the Receipts, the Coupons and the Talons);
- (xii) this Base Prospectus;
- (xiii) the BNPP 2014 Registration Document;
- (xiv) the BNPP 2015 Registration Document; and
- (xv) the First Update to the BNPP 2015 Registration Document.

In the case of (iii), (viii), (xiii), (xiv) and (xv) above, the documents are also available via BNPP's website: "www.invest.bnpparibas.com". In addition, copies of this Base Prospectus and any documents incorporated by reference in this Base Prospectus are available via BNPP's website: (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>).

In addition, the constitutional documents of BP2F, the Note Agency Agreement, the BNPPF Guarantee and the documents listed at (v), (vi) and (vii) above are available at the registered office of BP2F and the constitutional documents of BNPPF, the Note Agency Agreement, the Agency Agreement, the BNPPF Guarantee and the documents listed at (v) above are available at the registered office of BNPPF. The Swedish Agency Agreement will be available for inspection at the office of the Swedish Security Agency. The Finnish Agency Agreement will be available for inspection at the office of the Finnish Security Agency specified in the applicable Final Terms. The Danish Agency Agreement will be available for inspection at the office of the Danish Security Agency specified in the applicable Final Terms. Copies of the Euroclear Agreement will be available from the specified office of the Euroclear Registrar.

## 5. Material Adverse Change

There has been no material adverse change in the prospects of BNPP or the Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BP2F since 31 December 2015.

There has been no material adverse change in the prospects of BNPPF since 31 December 2015.

## 6. Legal and Arbitration Proceedings

Save as disclosed on pages 158, 211, 212 and 411 of the BNPP 2015 Registration Document, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or

threatened of which BNPP is aware), during the period covering at least the twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPP and/or the Group's financial position or profitability.

Save as disclosed in the section "Risk Factors relating to BNPPF" and under the "Description of BNPPF" in this Base Prospectus, and under Note 8.a. (*Contingent liabilities: legal proceeding and arbitration*) on pages 128 to 129 of the 2015 Annual Report of BNPPF (which is incorporated by reference in this Base Prospectus), there have been no governmental, legal and arbitration proceedings during a period covering 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPPF's and/or the BNP Paribas Group's financial position or profitability.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP B.V. is aware) during a period covering 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past significant effects on BNPP B.V.'s financial position or profitability.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BP2F is aware), during a period covering 12 months prior to this Base Prospectus which may have, or have had in the recent past, significant effects on BP2F's financial position or profitability.

#### 7. Significant Change

There has been no significant change in the financial or trading position of BNPP or the Group since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).

There has been no significant change in the financial or trading position of BNPP B.V. since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).

There has been no significant change in the financial or trading position of BP2F since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).

There has been no significant change in the financial or trading position of BNPPF since 31 December 2015 (being the end of the last financial period for which audited financial statements have been published).

#### 8. Material Contracts

Neither BNPP B.V. nor BNPP has entered into contracts outside the ordinary course of its respective business, which could result in the relevant Issuer being under an obligation or entitlement that is material to such Issuer's ability to meet its obligation to holders of Securities in respect of the Securities being issued.

BNPPF has not entered into contracts outside the ordinary course of its business, which could result in BNPPF being under an obligation or entitlement that is material to its ability to meet its obligation to holders of Securities in respect of the Securities being issued.

No material contracts have been entered into in the ordinary course of BP2F's business which could result in BP2F being under an obligation or entitlement that is material to BP2F's ability to meet its obligation to holders of Securities.

#### 9. Third Party Information

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the

relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

10. Board of Directors

The members of the Board of Directors of BNPP are displayed on pages 30 to 42 of the BNPP 2015 Registration Document relating to BNPP which is incorporated by reference herein.

The "Description of BNPP B.V." above includes details of the Management Board of BNPP B.V.

The "Description of BP2F" above includes details of the members of the Board of Directors of BP2F.

The "Description of BNPPF" above includes details of the members of the Board of Directors of BNPPF.

11. Conflicts of Interests

To the knowledge of BNPP, the duties owed by the members of the Board of Directors of BNPP do not give rise to any potential conflicts of interests with such members' private interests or other duties.

The Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of Securities, between any duties to BNPP B.V. and its interests or other duties.

Aside from the matter mentioned on page 215 of the BNPPF Annual Report 2015 (incorporated by reference into the Base Prospectus), being the Information related to Article 523 of the Belgian Companies Code relating to the "Remuneration and benefits awarded to the BNP Paribas Fortis Executive Directors" which was a decision of, a meeting held by the Board of Directors of BNPPF on 19 March 2015, to the best of BNPPF's knowledge, no conflicts of interest exist between any duties to BNPPF of the persons set out in the "Description of BNPPF" above and their private interests and/or duties disclosed in the "Description of BNPPF" above. However, functional conflicts of interest may exist due to roles held by these persons in other affiliates of BNPPF.

No conflicts of interest exist between any duties to BP2F of the members of the Board of Directors of BP2F and their private interests. However, functional conflicts of interests may exist for the member of the Board of Directors of BP2F due to the roles held by these persons in other affiliates of BP2F.

12. Auditors

*BNPP*

The statutory auditors (*Commissaires aux comptes*) of BNPP are currently the following:

Deloitte & Associés was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Damien Leurent.

*Deputy:*

BEAS, 195, avenue Charles de Gaulle, Neuilly-sur-Seine (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the

financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Etienne Boris.

*Deputy:*

Anik Chaumartin, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Hervé Hélias.

*Deputy:*

Michel Barbet-Massin, 61 Rue Henri-Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux Comptes*).

In June 2012 Mazars Paardekooper Hoffman Accountants N.V. were appointed as the auditors of BNPP B.V. Mazars Paardekooper Hoffman Accountants N.V. are independent public accountants in the Netherlands registered with NBA (*Nederlandse Beroepsorganisatie van Accountants*).

The address of Mazars Paardekooper Hoffman Accountants N.V. is Delflandlaan 1, 1062 EA Amsterdam

*BNPPF*

The financial statements for the year ending 31 December 2014 of BNPPF have been audited by PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L., represented by Roland Jeanquart, Partner, Woluwedal 18, B 1932 Sint-Stevens Woluwe, Brussels, and Deloitte Reviseurs d'Entreprises SC sous forme d'une S.C.C.R.L., represented by Philip Maeyaert and Frank Verhaegen, Partners, Berkenlaan 8b, B 1831 Diegem, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 31 March 2015. All are members of the *Instituut der Bedrijfsrevisoren/Institut des Reviseurs d'Enterprises*.

As a consequence of mandatory rotation rules regarding the representatives of the auditors, new representatives have been appointed by the shareholders meeting of BNPPF held in April 2015. The current representative of PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L. is Damien Walgrave, and the current representatives of Deloitte Reviseurs d'Entreprises SC sous forme d'une S.C.C.R.L. are Yves Dehogne and Bernard De Meulemeester.

The financial statements for the year ending 31 December 2015 of BNPPF have been audited by PricewaterhouseCoopers Reviseurs d'Entreprises S.C.C.R.L., represented by Damien Walgrave, Partner, Woluwedal 18, B 1932 Sint-Stevens Woluwe, Brussels, and Deloitte Reviseurs d'Entreprises SC sous forme d'une S.C.C.R.L., represented by Yves Dehogne and Bernard de Meulemeester, Partners, Berkenlaan 8b, B 1831 Diegem, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 5 April 2016. All are members of the *Instituut der Bedrijfsrevisoren/Institut des Reviseurs d'Enterprises*.

### *BP2F*

The annual accounts of BP2F for the year ended 31 December 2014 have been audited without qualification by Deloitte Audit S.à r.l. as approved independent auditor (*réviseur d'entreprises agréé*) whose registered office is 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, who is a member of the Institut des Réviseurs d'Entreprises.

The annual accounts of BP2F for the year ended 31 December 2015 have been audited without qualification by Deloitte Audit S.à r.l. as approved independent auditor (*réviseur d'entreprises agréé*) whose registered office is 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, who is a member of the Institut des Réviseurs d'Entreprises.

The cash flow statements of BP2F for the years ended 31 December 2014 and 31 December 2015 have been audited by Deloitte Audit S.à r.l. as approved independent auditor (*réviseur d'entreprises agréé*) whose registered office is 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, who is a member of the Institut des Réviseurs d'Entreprises.

### *BNPP B.V.*

The financial statements of BNPP B.V. for the years ending 31 December 2014 and 31 December 2015 have been audited without qualification by Mazars Paardekooper Hoffman Accountants N.V.

## 13. Clearing Systems

The English Law Securities represented by a Global Security have been accepted for clearance through Clearstream, Luxembourg, Euroclear, Clearstream, Frankfurt and Monte Titoli. The appropriate CUSIP, common code, ISIN and other relevant code for each issue of English Law Securities represented by a Global Security allocated by DTC, Clearstream, Luxembourg, Euroclear and Monte Titoli will be specified in the applicable Final Terms.

English Law securities represented by a Global Security which are to be listed in a regulated market in Spain shall be accepted for clearance through Iberclear.

CREST Dematerialised Securities will be issued and held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof from time to time. Title to CREST Dematerialised Securities is recorded on the relevant operator register of eligible debt securities. The Operator is Euroclear UK & Ireland Limited.

The French Law Securities shall be accepted for clearance through Euroclear France, Euroclear and/or Clearstream, Luxembourg.

Swedish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Sweden System.

Finnish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Finland System.

Italian Dematerialised Securities and Italian Dematerialised Notes will be accepted for clearance in Monte Titoli. Italian Dematerialised Notes will be in bearer form (*al portatore*) and held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy).

Danish Dematerialised Securities will be accepted for clearing and registration in the VP Denmark System.

If the Securities of any series are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Clearstream, Luxembourg is 42 avenue JF Kennedy, L-1855 Luxembourg.

The address of Euroclear Bank is 1 Boulevard du Roi Albert II B-1210 Brussels.

The address of Euroclear UK & Ireland Limited is 33 Cannon Street, London EC4M 5SB.

The address of Euroclear France is 113 rue Réaumur, F-75081 Paris-CEDEX 02.

The address of Euroclear Finland is Urho Kekkosen katu 5C, PO Box 1110, 00101 Helsinki, Finland.

The address of Euroclear Sweden is Box 7822, SE-103 97 Stockholm.

The address of Monte Titoli is Piazza degli Affari, 6, 20123 Milano.

The address of Iberclear is Plaza de la Lealtad, 28014 Madrid.

The address of Clearstream, Frankfurt is Mergenthalerallee 61, 65760 Eschborn, Germany

The address of VP Denmark is Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark.

14. Post-issuance information

Save as set out in the applicable Final Terms, the relevant Issuer will not provide post-issuance information in relation to any underlying in relation to any issue of Securities.

15. Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield (or, gross yield) in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date on the basis of the Issue Price and on the assumption that the Securities are not subject to early cancellation or, if applicable, no Credit Event occurs. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

16. Dependence of BNPP upon other members of the BNPP Group

Subject to the following paragraph, BNPP is not dependent upon other members of the BNPP Group.

In April 2004, BNPP began outsourcing IT Infrastructure Management Services to the BNP Paribas Partners for Innovation (BP<sup>2</sup>I) joint venture set up with IBM France at the end of 2003. BP<sup>2</sup>I provides IT Infrastructure Management Services for BNPP and several BNPP subsidiaries in France (including BNP Paribas Personal Finance, BP2S, and BNP Paribas Cardif), Switzerland, and Italy. In mid-December 2011 BNPP renewed its agreement with IBM France for a period lasting until end-2017. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013.

BP<sup>2</sup>I is under the operational control of IBM France. BNP Paribas has a strong influence over this entity, which is 50/50 owned with IBM France. The BNP Paribas staff made available to BP<sup>2</sup>I make up half of that entity's permanent staff, its buildings and processing centres are the property of the Group, and the governance in place provides BNP Paribas with the contractual right to monitor the entity and bring it back into the Group if necessary.

ISFS, a fully-owned IBM subsidiary, handles IT Infrastructure Management for BNPP Luxembourg.

BancWest's data processing operations are outsourced to Fidelity Information Services. Cofinoga France's data processing is outsourced to SDDC, a fully-owned IBM subsidiary.

17. Capitalization of BNPP and the BNP Paribas Group

<b>TABLE OF CAPITALIZATION AND MEDIUM-TO-LONG TERM INDEBTEDNESS</b>		
Millions of Euros	<b>BNP PARIBAS GROUP</b>	<b>BNP PARIBAS GROUP</b>
	December 31, 2015 (audited)	March 31, 2016 (unaudited)
Medium-and Long Term Debt of which unexpired term to maturity is more than one year		
Debt securities at fair value through profit or lost	34,889	33,198
Other debt securities	65,756	61,479
Subordinated debt	12,070	12,657
<b>Total Medium and Long-Term Debt.....</b>	<b>112,715</b>	<b>107,334</b>

Shareholders' Equity and Equivalents		
Issued Capital .....	2,493	2,493
Additional paid-in capital.....	24,404	24,349
Preferred shares and equivalent instruments.....	7,855	9,170
Retained earnings .....	51,906	52,364
Unrealised or deferred gains and losses attributable to shareholders	6,736	6,515
Undated participating subordinated notes ....	222	222
Undated Subordinated FRNs.....	1,811	1,800
<b>Total Shareholders' Equity and Equivalents</b>	<b>95,427</b>	<b>96,913</b>
Minority Interest.....	3,719	3,835
<b>Total Capitalization</b>	<b>211,861</b>	<b>208,082</b>

This Base Prospectus (together with supplements to this Base Prospectus from time to time (each a "**Supplement**" and together the "**Supplements**") comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. "**Prospectus Directive**" means Directive 2003/71/EC (as amended including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. In relation to each separate issue of Securities, the final offer price and the amount of such Securities will be determined by the Issuer and the relevant manager in accordance with prevailing market conditions at the time of the issue of the Securities and will be set out in the relevant Final Terms.

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

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this document or any other information supplied in connection with the Programme or the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by BNPP B.V., BNPP, BP2F, BNPPF or any manager of an issue of Securities (as applicable to such issue of Securities, each a "**Manager**"). This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Securities or the distribution of this document in any jurisdiction where any such action is required.

This document is to be read and construed in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below).

The Securities shall be redeemed on each instalment date and/or the maturity date by payment of one or more Instalment Amount or Final Redemption Amount and/or by delivery of the Entitlement (in the case of Physically Settled Securities). In order to receive the Entitlement, the holder of a Security will be required to submit an Asset Transfer Notice and in certain circumstances to certify, *inter alia* (in accordance with Condition 4(b) of "*Terms and Conditions of the Notes*", that it is not a U.S. person or acting on behalf of a U.S. person.

The Securities of each issue may be sold by the relevant Issuer and/or any Manager at such time and at such prices as the Issuer and/or the Manager(s) may select. There is no obligation upon the relevant Issuer or any Manager to sell all of the Securities of any issue. The Securities of any issue may be offered or sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the relevant Issuer.

Subject to the restrictions set forth herein, each Issuer shall have complete discretion as to what type of Securities it issues and when.

No Manager has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any Manager as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by BNPP B.V., BNPP, BP2F and/or BNPPF. The Manager(s) accept no liability in relation to the information contained in this Base Prospectus or any other information provided by BNPP B.V., BNPP, BP2F and/or BNPPF in connection with the Programme.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Securities (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by BNPP B.V., BNPP, BP2F, BNPPF or any Manager that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Securities should purchase any Securities. Each investor

contemplating purchasing any Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of BNPP B.V., BNPP, BP2F and/or BNPPF. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Securities constitutes an offer or an invitation by or on behalf of BNPP B.V., BNPP, BP2F, BNPPF or the Managers or any other person to subscribe for or to purchase any Securities.

The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning BNPP B.V., BNPP, BP2F or BNPPF is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. No Manager undertakes to review the financial condition or affairs of BNPP B.V., BNPP, BP2F or BNPPF during the life of the Programme. Investors should review, *inter alia*, the most recently published audited annual non-consolidated financial statements and interim financial statements of BNPP B.V., the most recently published audited annual consolidated financial statements, unaudited semi-annual interim consolidated financial statements and quarterly financial results of BNPP, the most recently published audited annual consolidated financial statements of BNPPF and/or the most recently published audited annual non-consolidated financial statements of BP2F, as applicable, when deciding whether or not to purchase any Securities.

## **IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF SECURITIES**

### **Restrictions on Non-exempt Offers of Securities in relevant Member States**

Certain issues of Securities with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "**Non-exempt Offer**". This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Securities in each Member State in relation to which the relevant Issuer has given its consent as specified in the applicable Final Terms (each specified Member State a "**Non-exempt Offer Jurisdiction**" and together the "**Non exempt Offer Jurisdictions**"). Any person making or intending to make a Non-exempt Offer of Securities on the basis of this Base Prospectus must do so only with the relevant Issuer's consent to the use of this Base Prospectus as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive*" below and provided such person complies with the conditions attached to that consent.

Save as provided above, neither BNPP B.V., BNPP, BP2F or BNPPF have authorised, nor do they authorise, the making of any Non-exempt Offer of Securities in circumstances in which an obligation arises for any of BNPP B.V., BNPP or BP2F to publish or supplement a prospectus for such offer.

### **Consent given in accordance with Article 3.2 of the Prospectus Directive**

In the context of a Non-exempt Offer of Securities, BNPP B.V., BNPP, BP2F and BNPPF accept responsibility, in each of the Non-exempt Offer Jurisdictions, for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Securities in a Non-exempt Offer made by a Manager or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below.

None of BNPP B.V., BNPP, BP2F or BNPPF makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of BNPP B.V., BNPP, BP2F or BNPPF has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, none of BNPP B.V., BNPP, BP2F or BNPPF has authorised the making of any Non-exempt Offer by any offeror and BNPP B.V., BNPP and BP2F have not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of**

**Securities. Any Non-exempt Offer made without the consent of the relevant Issuer is unauthorised and none of BNPP B.V., BNPP, BP2F or BNPPF accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.** If, in the context of a Non-exempt Offer, an Investor is offered Securities by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Non-Exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (b) below are together the "**Authorised Offerors**" and each an "**Authorised Offeror**".

### **Consent**

In connection with each issue of Securities and subject to the conditions set out below under "*Common Conditions to Consent*":

#### *Specific Consent*

- (a) each Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Securities by:
- (i) the relevant Manager(s) specified in the applicable Final Terms;
  - (ii) any financial intermediaries specified in the applicable Final Terms; and
  - (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on BNPP's website (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>) (in the case of Securities issued by BNPP or BNPP B.V.) or BP2F's website ([www.bp2f.lu](http://www.bp2f.lu)) and BNPPF's website ([www.bnpparibasfortis.be/emissions](http://www.bnpparibasfortis.be/emissions)) (in the case of Securities issued by BP2F) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and

#### *General Consent*

- (b) if (and only if) Part A of the applicable Final Terms specifies "General Consent" as "Applicable", each Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Securities by any other financial intermediary which satisfies the following conditions:
- (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC); and
  - (ii) it accepts the relevant Issuer's offer to grant consent to the use of this Base Prospectus by publishing on its website the following statement (with the information in square brackets duly completed) (the "**Acceptance Statement**"):

*"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "**Securities**") described in the Final Terms dated [insert date] (the "**Final Terms**) published by [ ] (the "**Issuer**"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."*

The **Authorised Offeror Terms**, being the terms to which the relevant financial intermediary agrees in connection with using this Base Prospectus, are that the relevant financial intermediary:

- (A) will, and it agrees, represents, warrants and undertakes for the benefit of BNPP B.V., BNPP, BP2F and BNPPF that it will, at all times in connection with the relevant Non-exempt Offer:
- I. act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Securities by any person and disclosure to any potential Investor;
  - II. comply with the restrictions set out under "*Offering and Sale*" in this Base Prospectus;
  - III. ensure that any fee (and any other commissions or benefits of any kind) or rebate received or paid by the relevant financial intermediary in relation to the offer or sale of the Securities does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
  - IV. hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Securities under the Rules;
  - V. comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Securities by the Investor), and will not permit any application for Securities in circumstances where the financial intermediary has any suspicions as to the source of the application monies;
  - VI. retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to BNPP B.V., BNPP, BP2F and BNPPF or directly to the appropriate authorities with jurisdiction over BNPP B.V., BNPP, BP2F and BNPPF in order to enable BNPP B.V., BNPP, BP2F and BNPPF to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to BNPP B.V., BNPP, BP2F and BNPPF;
  - VII. ensure that it does not, directly or indirectly, cause BNPP B.V., BNPP, BP2F or BNPPF to breach any Rule or subject BNPP B.V., BNPP, BP2F or BNPPF to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
  - VIII. ensure that Investors understand the risks associated with an investment in the Securities;
  - IX. immediately inform BNPP B.V., BNPP, BP2F or BNPPF if at any time it becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
  - X. comply with the conditions to the consent referred to under "*Common conditions to consent*" below and any further requirements or other Authorised Offeror Terms relevant to the Non-exempt Offer as specified in the applicable Final Terms;
  - XI. make available to each potential Investor in the Securities this Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any

applicable information booklet provided by the relevant Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus and the applicable Final Terms;

- XII. if it conveys or publishes any communication (other than this Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the relevant Issuer for the purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the relevant Issuer, that such financial intermediary is solely responsible for such communication and that none of BNPP B.V., BNPP, BP2F or BNPPF accepts any responsibility for such communication and (C) does not, without the prior written consent of BNPP B.V., BNPP, BP2F or BNPPF (as applicable), use the legal or publicity names of BNPP B.V., BNPP, BP2F or BNPPF or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the relevant Issuer as issuer of the relevant Securities and, if applicable, the relevant Guarantor as the guarantor of the relevant Securities on the basis set out in this Base Prospectus;
- XIII. ensure that no holder of Securities or potential Investor in Securities shall become an indirect or direct client of BNPP B.V., BNPP, BP2F and BNPPF for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- XIV. co-operate with BNPP B.V., BNPP, BP2F and BNPPF in providing relevant information (including, without limitation, documents and records maintained pursuant to paragraph (VI) above) and such further assistance as is reasonably requested upon written request from BNPP B.V., BNPP, BP2F or BNPPF, as applicable, in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process. For this purpose, relevant information is information that is available to or can be acquired by the relevant financial intermediary:
- (i) in connection with any request or investigation by any regulator in relation to the Securities, BNPP B.V., BNPP, BP2F or BNPPF; and/or
  - (ii) in connection with any complaints received by BNPP B.V., BNPP, BP2F or BNPPF relating to BNPP B.V., BNPP, BP2F or BNPPF or another Authorised Offeror including, without limitation, complaints as defined in the Rules; and/or
  - (iii) which BNPP B.V., BNPP, BP2F or BNPPF may reasonably require from time to time in relation to the Securities and/or to allow BNPP B.V., BNPP, BP2F or BNPPF fully to comply with its own legal, tax and regulatory requirements,
- XV. during the period of the initial offering of the Securities: (i) only sell the Securities at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Issuer and the relevant Manager); (ii) only sell the Securities for settlement on the Issue Date specified in the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Issuer and the relevant Manager); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Securities (unless otherwise agreed with the relevant Issuer and the relevant Manager);

and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Issuer and the relevant Manager; and

XVI. either (i) obtain from each potential Investor an executed application for the Securities, or (ii) keep a record of all requests the relevant financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Securities on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;

(B) agrees and undertakes to each of BNPP B.V., BNPP, BP2F and BNPPF that if it or any of its respective directors, officers, employees, agents, affiliates and controlling persons (each a "**Relevant Party**") incurs any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) (a "**Loss**") arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by the relevant financial intermediary, including (without limitation) any unauthorised action by the relevant financial intermediary or failure by it to observe any of the above restrictions or requirements or the making by it of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by BNPP B.V., BNPP, BP2F or BNPPF, the relevant financial intermediary shall pay to BNPP B.V, BNPP, BP2F and BNPPF, an amount equal to the Loss. None of BNPP B.V, BNPP, BN2F and BNPPF shall have any duty or obligation, whether as fiduciary or trustee for any relevant party or otherwise to recover any such payment or to account to any other person for any amounts paid to it under this provision; and

(C) agrees and accepts that:

I. the contract between the relevant Issuer and the relevant financial intermediary formed upon acceptance by the relevant financial intermediary of the relevant Issuer's offer to use this Base Prospectus with its consent in connection with the relevant Non-exempt Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

II. where the offer relates to English Law Securities, the English courts have jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the relevant Issuer and the financial intermediary submit to the exclusive jurisdiction of the English courts;

III. where the offer relates to French Law Securities, the courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) have jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the relevant Issuer and the financial intermediary submit to the jurisdiction of such French courts;

IV. for the purposes of (C)(II) and (III), the relevant Issuer and the financial intermediary waive any objection to the relevant courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;

- V. each of the relevant Issuer and the financial intermediary will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

**Any Authorised Offeror falling within (b) above who meets the conditions set out in (b) and the other conditions stated in "Common Conditions to Consent" below and who wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.**

#### *Common Conditions to Consent*

The conditions to the Issuer's consent to the use of this Base Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (b) above if Part A of the applicable Final Terms specifies "General Consent" as "Applicable") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms; and
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in France and Portugal as specified in the applicable Final Terms.

The consent referred to above only relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

The only relevant Member States which may, in respect of any Tranche of Securities, be specified in the applicable Final Terms (if any Relevant Member States are so specified) as indicated in (ii) above, will be France and Portugal, and accordingly each Tranche of Securities may only be offered to Investors as part of a Non-exempt Offer in France and Portugal, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for BNPP B.V., BNPP or BP2F to publish or supplement a prospectus for such offer.

#### **ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE SECURITIES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF BNPP B.V., BNPP, BP2F OR BNPPF HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

## **INFORMATION RELATED TO SECURITIES SOLD IN BELGIUM**

In respect of Securities offered to individuals in Belgium, the relevant Issuer may be required to comply with the provisions of the Belgian Code of Economic Law, especially the provisions on unfair terms in the application of the terms and conditions as set out in the Base Prospectus and the applicable Final Terms relating to such Securities in Belgium, insofar as these provisions would be applicable.

### **Information relating to the use of this Base Prospectus and offer of Securities generally.**

The distribution of this Base Prospectus and the offering of Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by BNPP B.V., BNPP, BP2F, BNPPF and each Manager to inform themselves about and to observe any such restrictions.

***IN CONNECTION WITH THE ISSUE OF ANY TRANCHE (AS DEFINED IN "TERMS AND CONDITIONS OF THE NOTES" BELOW) OF NOTES, THE MANAGER OR MANAGERS (IF ANY) NAMED AS THE STABILISATION MANAGER(S) (THE "STABILISING MANAGER(S)") (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISATION MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE. ANY STABILISATION ACTION OR OVER-ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.***

In this Base Prospectus references to U.S.\$ and U.S. dollars are to United States dollars and references to euro, € and EUR are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Each of BNPP B.V. (in respect of itself), BNPP (in respect of itself and BNPP B.V.), BP2F (in respect of itself) and BNPPF (in respect of itself and BP2F) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of BNPP B.V., BNPP, BP2F and BNPPF (who have taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and, if applicable, the Guarantor for the information relating to the underlying asset, index or other item(s) to which the Securities relate, which is contained in such Final Terms.

## RESPONSIBILITY STATEMENT

I hereby certify on behalf of BNPP, BNPP B.V., BP2F and BNPPF, having taken all reasonable care to ensure that such is the case, that, to the best of my knowledge, the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

The consolidated financial statements as of and for the year ended 31 December 2014 of BNPP were audited by statutory auditors who issued an audit report which is incorporated by reference in this Base Prospectus. This report contains an emphasis of matter paragraph (*paragraphe d'observations*) which can be found on page 241 of the BNPP 2014 Registration Document referring, to note 3.g to the consolidated financial statements which outlines the costs related to the comprehensive settlement with US authorities.

The consolidated financial statements as of and for the year ended 31 December 2015 of BNPP were audited by statutory auditors who issued an audit report which is incorporated by reference in this Base Prospectus. This report contains an emphasis of matter paragraph (*paragraphe d'observations*) which can be found on page 231 of the BNPP 2015 Registration Document.

The consolidated financial statements as of and for the year ended 31 December 2014 of BNPPF were audited by statutory auditors who issued an audit report which is incorporated by reference in this Base Prospectus. This report contains an emphasis of matter paragraph which can be found on page 309 of the BNPPF 2014 Annual Report.

The consolidated financial statements as of and for the year ended 31 December 2015 of BNPPF were audited by statutory auditors who issued an audit report which is incorporated by reference in this Base Prospectus. This report contains an emphasis of matter paragraph which can be found on page 281 of the BNPPF 2015 Annual Report.

### **BNP Paribas**

16 boulevard des Italiens  
75009 Paris  
France

Represented by Michel Konczaty  
in his capacity as Deputy Chief Operating Officer  
Dated 9 June 2016



In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement général*) of the French *Autorité des marchés financiers* ("AMF"), in particular Articles 211-1 to 216-1, the AMF has granted to this Base Prospectus the visa n°16-236 on 9 June 2016. This Base Prospectus has been prepared by BNPP, BNPP B.V., BP2F and BNPPF and BNPP's signatories assume responsibility for it on behalf of BNPP, BNPP B.V., BP2F and BNPPF. This document may only be used for the purposes of a financial transaction if completed by Final Terms. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.

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