

"**N_{RU}**" means the number of Underlying References in the RU Basket.

"**NRU₀**" means the percentage specified as such in the applicable Final Terms.

"**NRU Basket**" means a basket composed of each Fund or each Underlying Interest Rate specified in the applicable Final Terms.

"**NRU_t**" means, in respect of an ACT Day, an amount determined by the Calculation Agent in accordance with the following formula:

(i) if the Underlying Reference is an Underlying Interest Rate, then:

$$NRU_t = NRU_{t-1} \times \left[1 + \sum_{k=1}^{N_{NRU}} P_{NRU}^k \times (NRU_t^k - 1) \right]$$

(ii) otherwise:

$$NRU_t = NRU_{t-1} \times \left[1 + \sum_{k=1}^{N_{NRU}} P_{NRU}^k \times \left(\frac{NRU_t^k}{NRU_{t-1}^k} - 1 \right) \right]$$

"**NRU_{t-1}**" means, in respect of an ACT Day, NRU_t for the ACT Day immediately preceding such day.

"**NRU_t^k**" means, in respect of an ACT Day and an Underlying Reference:

- (i) if the Underlying Reference is a Fund, the NAV per Fund Share in respect of such day, provided that, if there is no NAV per Fund Share in respect of such day, the NAV per Fund Share in respect of the immediately succeeding Fund Business Day;
- (ii) if the Underlying Reference is an Underlying Interest Rate, the level determined by the Calculation Agent in accordance with the following formula:

$$NRU_t^k = 1 + Reference\ Rate_{t-1}^k \times \frac{Act_{(t-1,t)}}{360}$$

"**NRU_{t-1}^k**" means, in respect of an ACT Day and an Underlying Reference, NRU_t^k for the ACT Day immediately preceding such day.

"**P_{NRU}^k**" means, in respect of an Underlying Reference in the NRU Basket, the relevant Underlying Reference Weighting.

"**P_{RU}^k**" means, in respect of an Underlying Reference in the RU Basket, the relevant Underlying Reference Weighting.

"**Protection Fees**" means the percentage specified as such in the applicable Final Terms.

"**Rate Calculation Date**" means, in respect of an ACT Day, the day specified as such in the applicable Final Terms.

"**Reference Floating Rate**" means, in respect of an ACT Day, the Reference Floating Rate Option in respect of the Rate Calculation Date for such day appearing on the Reference Floating Rate Option Page at the Reference Floating Rate Option Time or if the relevant rate does not appear on such page at such time, the Reference Floating Rate Option for such ACT Day shall be determined by the Calculation Agent at such time and from such source(s) as it may select acting in good faith and in a commercially reasonable manner.

"**Reference Floating Rate Option**" means the interest rate and designated maturity specified as such in the applicable Final Terms.

"**Reference Floating Rate Option Page**" means the page or price source specified as such in the applicable Final Terms or such successor page or source as determined by the Calculation Agent.

"**Reference Floating Rate Option Time**" means the time specified as such in the applicable Final Terms.

"**Reference Rate**_{t-1}^k" means, in respect of an ACT Day, (i) the fixed rate specified in the applicable Final Terms or the Reference Floating Rate for such day plus (ii) a percentage, each as specified in the applicable Final Terms.

"**Risky Fees**" means the percentage specified as such in the applicable Final Terms.

"**RU**₀" means the percentage specified as such in the applicable Final Terms.

"**RU Basket**" means a basket composed of each Index, Custom Index, Share or ETI specified in the applicable Final Terms.

"**RU**_t" means, in respect of an ACT Day, an amount determined by the Calculation Agent in accordance with the following formula:

$$RU_t = RU_{t-1} \times \left[1 + \sum_{k=1}^{N_{RU}} P_{RU}^k \times \left(\frac{RU_t^k}{RU_{t-1}^k} - 1 \right) \right]$$

provided that, **RU**_t for the Initial ACT Day will be **RU**₀.

"**RU**_{t-1}" means, in respect of an ACT Day, **RU**_t for the ACT Day immediately preceding such day.

"**RU**_t^k" means, in respect of an ACT Day and an Underlying Reference, the Underlying Reference Closing Price Value in respect of such day, provided that, if there is no Underlying Reference Closing Price Value in respect of such day or (in the case of Index Securities, Custom Index Securities, Share Securities) such day is a Disrupted Day (such day a "**Disrupted Level Day**"); and:

- (i) if "Following ACT Day" is specified in the applicable Final Terms, **RU**_t^k will be the Underlying Reference Closing Price Value for the next succeeding ACT Day which is not a Disrupted Level Day; or
- (ii) if "Preceding ACT Day" is specified in the applicable Final Terms, **RU**_t^k will be the Underlying Reference Closing Price Value for the immediately preceding ACT Day which is not a Disrupted Level Day.

"**RU**_{t-1}^k" means, in respect of an ACT Day and an Underlying Reference, the Underlying Reference Closing Price Value on the immediately preceding ACT Day.

"**Step**" means the percentage specified as such in the applicable Final Terms.

"**Strategy Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Strategy Business Day Centre(s).

"**Strategy Business Day Centre(s)**" means the place(s) specified as such in the applicable Final Terms.

"**Target Volatility**_t" means, in respect of an ACT Day, (i) the percentage specified as such in the applicable Final Terms or (ii) if not so specified, **VRealized**_t.

"**Target Volatility_t^k**" means, in respect of an ACT Day and an Underlying Reference, (i) the percentage specified as such in the applicable Final Terms or (ii) if not so specified, $VRealized_t^k$.

"**t^{*}**" means, in respect of a Lockin Date, the Lockin Date immediately preceding such day.

"**Tolerance**" means the percentage specified as such in the applicable Final Terms.

"**Underlying Reference TIPP Value₀**" means the percentage specified as such in the applicable Final Terms.

"**Underlying Reference TIPP Value_{t-1}**" means, in respect of an ACT Day, the Underlying Reference TIPP Value on the ACT Day immediately preceding such day.

"**Underlying Reference Valuation Date**" means a calendar day, Business Day, Exchange Business Day, Hybrid Business Day, Scheduled Trading Day, Custom Index Business Day, Fund Business Day, Settlement Price Date, SPS Valuation Date or other day specified as such in the applicable Final Terms.

"**Value_a**" 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;

"**Vol20_t**" means, in respect of an ACT Day, the level determined by the Calculation Agent in accordance with the following formula:

$$Vol20_t = \sqrt{252} \times \sqrt{\frac{20}{19} \times \left[\frac{1}{20} \sum_{q=1}^{q=20} \left(\ln \left(\frac{RU_{t-20+q}}{RU_{t-20+q-1}} \right)^2 \right) - \left(\frac{1}{20} \sum_{q=1}^{q=20} \ln \left(\frac{RU_{t-20+q}}{RU_{t-20+q-1}} \right) \right)^2 \right]}$$

"**Vol20_t^k**" means, in respect of an ACT Day and an Underlying Reference, the level determined by the Calculation Agent in accordance with the following formula:

$$Vol20_t^k = \sqrt{252} \times \sqrt{\frac{20}{19} \times \left[\frac{1}{20} \sum_{q=1}^{q=20} \left(\ln \left(\frac{RU_{t-20+q}^k}{RU_{t-20+q-1}^k} \right)^2 \right) - \left(\frac{1}{20} \sum_{q=1}^{q=20} \ln \left(\frac{RU_{t-20+q}^k}{RU_{t-20+q-1}^k} \right) \right)^2 \right]}$$

"**Vol60_t**" means, in respect of an ACT Day, the level determined by the Calculation Agent in accordance with the following formula:

$$Vol60_t = \sqrt{252} \times \sqrt{\frac{60}{59} \times \left[\frac{1}{60} \sum_{q=1}^{q=60} \left(\ln \left(\frac{RU_{t-60+q}}{RU_{t-60+q-1}} \right)^2 \right) - \left(\frac{1}{60} \sum_{q=1}^{q=60} \ln \left(\frac{RU_{t-60+q}}{RU_{t-60+q-1}} \right) \right)^2 \right]}$$

"**Vol60_t^k**" means, in respect of an ACT Day and an Underlying Reference, the level determined by the Calculation Agent in accordance with the following formula:

$$Vol60_t^k = \sqrt{252} \times \sqrt{\frac{60}{59} \times \left[\frac{1}{60} \sum_{q=1}^{q=60} \left(\ln \left(\frac{RU_{t-60+q}^k}{RU_{t-60+q-1}^k} \right)^2 \right) - \left(\frac{1}{60} \sum_{q=1}^{q=60} \ln \left(\frac{RU_{t-60+q}^k}{RU_{t-60+q-1}^k} \right) \right)^2 \right]}$$

"**VRealized_t**" means, in respect of an ACT Day, the amount determined by the Calculation Agent in accordance with the following formula:

$$VRealized_t = \text{Max}(Vol20_t; Vol60_t)$$

"**VRealized_t^k**" means, in respect of an ACT Day and an Underlying Reference, the amount determined by the Calculation Agent in accordance with the following formula:

$$VRealized_t^k = \text{Max}(Vol20_t^k; Vol60_t^k)$$

" W_t^{Target} " means, in respect of an ACT Day, the percentage determined by the Calculation Agent in accordance with the following formula:

$$W_t^{target} = \text{Min}[\text{Max Exposure}; \text{Max}(\text{Min Exposure}; \text{Distance}_t \times \text{Multiplier}_t)]$$

provided that W_t^{Target} on the Strike Date is W_0^{Target} .

" W_{t-1}^{Target} " means, in respect of an ACT Day, W_t^{Target} on the ACT Day immediately preceding such day.

" W_t " means, in respect of an ACT Day, the percentage determined by the Calculation Agent with of lag of two ACT Days by reference to W_t in respect of the immediately preceding ACT Days, as set out below, provided that, W_t on the Strike Date is W_0 and where " W_1 ", " W_0 " and " W_0^{Target} " each mean the percentage specified as such in the applicable Final Terms.

" W_0 " means the percentage specified as such in the applicable Final Terms.

" W_{t-1} " means, in respect of an ACT Day, the percentage calculated as follows:

- (i) if $W_{t-3} = 0$ per cent. and/or if $\text{Distance}_t \leq Y\%$ then " W_{t-1} " means 0 per cent.; or
- (ii) otherwise:
 - (a) if $W_{t-3} < (1 - \text{Tolerance}) \times W_{t-3}^{Target}$ or $W_{t-3} > (1 + \text{Tolerance}) \times W_{t-3}^{Target}$ then " W_{t-1} " means W_{t-3}^{Target} ;
 - (b) if $(1 - \text{Tolerance}) \times W_{t-3}^{Target} \leq W_{t-3} \leq (1 + \text{Tolerance}) \times W_{t-3}^{Target}$ and:
 - (I) if $W_{t-2} \neq W_{t-3}$ and:
 - (A) if $W_{t-3}^{Target} < (1 - \text{Tolerance}) \times W_{t-4}^{Target}$ or $W_{t-3}^{Target} > (1 + \text{Tolerance}) \times W_{t-4}^{Target}$ then " W_{t-1} " means W_{t-3}^{Target} ; otherwise
 - (B) if $(1 - \text{Tolerance}) \times W_{t-4}^{Target} \leq W_{t-3}^{Target} \leq (1 + \text{Tolerance}) \times W_{t-4}^{Target}$ then " W_{t-1} " means W_{t-2} ; or
 - (II) if $W_{t-2} = W_{t-3}$ then " W_{t-1} " means W_{t-3} .

" $Y\%$ " means the percentage specified as such in the applicable Final Terms.

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_(i) or Calculation Period_(i);

"Redemption Payout" means the Final Payout in specified in the applicable Final Terms;

"SPS Date Weighting" means, in respect of an SPS Valuation Date, the number, amount or percentage specified as such for such date in the applicable Final Terms;

"SPS Redemption Valuation Date" means each Underlying Interest Determination Date, Averaging Date, Valuation Date, Pricing Date and/or Settlement Price Date specified as such in the applicable Final Terms;

"SPS Redemption Valuation Period" means each period specified as such in the applicable Final Terms;

"SPS Valuation Date" means each SPS 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, 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, 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, Fund Index, Underlying Interest Rate, Inflation Index or Future or other basis of reference to which the relevant Securities relate;

"**Underlying Reference Weighting**" means, in respect of an Underlying Reference, the number, amount or percentage specified as such for such Underlying Reference in the applicable Final Terms.

"**Up Cap Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Up Final Redemption Value**" means the value from Payout Conditions 2.6, 2.7, 2.8, 2.9 or 2.10 specified as such in the applicable Final Terms; and

"**Up Floor Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Up Strike Percentage**" means the percentage specified as such in the applicable Final Terms;

3. **FIXED INCOME COUPON RATES AND PAYOUTS**

3.1 **Fixed Income Coupon 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:

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

(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:

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

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

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

(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:

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

or

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

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

(d) **Range Accrual Coupon**

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

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

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:

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

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:

$$\text{Min} (\text{Cap}, \text{Max} (\text{Floor}, (\text{Coupon Percentage 1} \times \text{PRDC Performance}) - \text{Coupon Percentage 2}));$$

(ii) if Knock-in Event is not specified as applicable in the applicable Final Terms:

$$\text{Min} (\text{Cap}, \text{Max} (\text{Floor}, (\text{Coupon Percentage 1} \times \text{PRDC Performance}) - \text{Coupon Percentage 2}));$$

(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:

$$\text{Min} (\text{Cap}, \text{Max} (\text{Floor}, (\text{Coupon Percentage 1} \times \text{PRDC Performance}) - \text{Coupon Percentage 2}));$$

(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 FI Digital Floor Coupon is specified as applicable in the applicable Final Terms:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero);

(B) if a Knock-in Event has occurred and the FI Digital Floor Condition is satisfied in respect of the relevant FI 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 FI Digital Cap Coupon is specified as applicable in the applicable Final Terms:

(i) if Knock-in Event is specified as applicable in the applicable Final Terms:

(A) if no Knock-in Event has occurred, 0 (zero);

(B) if a Knock-in Event has occurred and the FI Digital Cap Condition is satisfied in respect of the relevant FI 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 FI Target Coupon is specified as applicable in the applicable Final Terms 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.

(l) **Duration Adjusted Coupon**

If Duration Adjusted Coupon is specified as applicable in the applicable Final Terms:

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

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;

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

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

"**Coupon Percentage 2**" means the percentage 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:

$$\sum_{j=1}^m \sum_{i=1}^n G_j \times (W_i \times \text{FX Coupon Performance Value})$$

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_(i) specified in the applicable Final Terms as a Multiple Underlying Component Rate, the number specified as such in the applicable Final Terms;

"**Multiple Underlying Reference Rate**" means, in respect of an Underlying Interest Rate_(i) specified in the applicable Final Terms as a Multiple Underlying Component Rate, the Underlying Reference Rate determined in respect of such Underlying Interest Rate.

"**N**" means the number specified as such in the applicable Final Terms;

"**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, (ii) greater than, (ii) less than, (iii) equal to or greater than or (iv) less than or equal to, as specified in the applicable Final Terms, the relevant Range Accrual Coupon Barrier Level Up 2;

"Range Accrual Day" means a Scheduled Trading Day, Business Day, Commodity Business Day, Underlying Interest Determination Date, Hybrid Business Day or calendar day, as specified in the applicable Final Terms;

"Range Cut-off Date" means the date specified as such in the applicable Final Terms;

"Range Period" 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;

"Spread_(i)" means the percentage specified as such in the applicable Final Terms;

"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:
- $FI \text{ Constant Percentage } 1 + \text{Max} (\text{Digital Plus Percentage } 1, (\text{Gearing } A \times FI \text{ Digital Value}));$ 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:
- $FI \text{ Constant Percentage } 1;$ 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:
- $FI \text{ Constant Percentage } 1 + \text{Min} (\text{Digital Plus Percentage } 2, \text{Max} ((\text{Gearing } B \times FI \text{ Digital Value}), FI \text{ Digital Floor Percentage}));$
- (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:
- $FI \text{ Constant Percentage } 1 + \text{Max} (\text{Digital Plus Percentage } 1, (\text{Gearing } A \times FI \text{ Digital Value}));$ or
- (B) if the FI Digital Plus Condition is not satisfied in respect of the relevant FI Redemption Valuation Date:
- $FI \text{ Constant Percentage } 1 + \text{Min} (\text{Digital Plus Percentage } 2, \text{Max} ((\text{Gearing } B \times FI \text{ Digital Value}), FI \text{ Digital Floor Percentage}));$
- (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:
- $FI \text{ Constant Percentage } 1 + \text{Max} (\text{Digital Plus Percentage } 1, (\text{Gearing } A \times FI \text{ Digital Value}));$ 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:
- $FI \text{ Constant Percentage } 1 + \text{Max} (\text{Digital Plus Percentage } 2, \text{Max} ((\text{Gearing } B \times FI \text{ Digital Value}), FI \text{ Digital Floor Percentage}));$ or
- (C) in all other cases:
- $FI \text{ Constant Percentage } 1.$

(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; or

- (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 $\text{Inflation Index}_{(i)} / \text{Inflation Index}_{(\text{base})}$;

"**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:

$\text{Max}(\text{Final Coupon Rate} \times \text{Final Day Count Fraction}, \text{Automatic Early Redemption Percentage or Target Coupon Percentage}, \text{as applicable}, - \text{Paid Coupon})$.

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 or Pricing 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_(i)**" means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference in respect of the relevant FI Valuation Date;

"**Inflation Index**_(i-1)" means, in respect of an Underlying Reference, the Underlying Reference Closing Value for such Underlying Reference on the immediately preceding FI Valuation Date (or, if none, the Strike Date);

"**Inflation Index**_(base)" 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:

$$\sum_{j=1}^m \sum_{i=1}^n G_j \times (W_i \times \text{FX Performance Value})$$

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, Share, Index, Commodity, Commodity Index or other basis of reference to which the relevant Securities relate. If two or more Underlying Interest Rates are specified in the applicable Final Terms as Multiple Underlying Component Rates each Underlying Interest Rate_(i) specified as such (together the "**Multiple Underlying Interest Rate**") will be calculated separately and independently but for the purposes of these Payout Conditions and the Underlying Interest Rate Security Conditions shall be deemed to together constitute an Underlying Reference;

"**Underlying Reference 1**" means the Underlying Reference specified as such in the applicable Final Terms;

"**Underlying Reference 2**" means the Underlying Reference specified as such in the applicable Final Terms;

"**Underlying Reference Closing Value**" means, in respect of a FI Valuation Date:

- (a) if the relevant Underlying Reference is an Inflation Index, the Relevant Level (as defined in the Inflation Security Conditions); or
- (b) if the relevant Underlying Reference is a rate of interest, the Underlying Reference Rate or, if Multiple Underlying Interest Rate is specified as applicable, the value calculated in accordance with the following formula:

$$\sum_{i=1}^n \text{MultipleUnderlying InterestRateGearing}_{(i)} \times \text{MultipleUnderlying ReferenceRate}_{(i)} \quad ;$$

- (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; or
- (d) if the relevant Underlying Reference is an Index, a Share, a Commodity or a Commodity Index, the Settlement Price,

in each case in respect of such day.

4. FORMULAE CONSTITUENTS AND COMPLETION

The constituent parts (each a "**Formula Constituent**") of any formula (each a "**Formula**") used in the Payout Conditions and which are to be specified in the applicable Final Terms may be replaced in the applicable Final Terms by the prescribed amount, level, percentage or other value, as applicable for such Formula Constituent.

If a Formula Constituent has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant Securities, then the related Formula may be simplified in the applicable Final Terms by deleting such Formula Constituent.

Any number or percentage to be specified in the applicable Final Terms for the purposes of these Payout Conditions may be a positive or negative, as specified in the applicable Final Terms.

5. CALCULATION AGENT

Unless otherwise specified, the calculation or determination of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion required or permitted to be determined, formed or exercised pursuant to these Payout Conditions will be calculated, determined, formed or exercised by the Calculation Agent.

Any calculation, determination, formation of any opinion or exercise of any discretion by the Calculation Agent pursuant to the Securities shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. Whenever the Calculation Agent is required to make any determination it may, to the extent permitted by any applicable law, *inter alia*, decide issues of construction and legal interpretation. In performing its duties pursuant to the Securities, the Calculation Agent shall, unless otherwise specified, act in good faith and in a commercially reasonable manner. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or making any determination under the Securities shall not affect the validity or binding nature of any later performance or exercise of such obligation or determination, and none of the Calculation Agent, the Issuer or the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability (to the extent permitted by any applicable law) in respect of, or consequent upon, any such delay, deferral or forbearance.

ANNEX 2

ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to 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, in respect of such Indices are open for trading during their respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time; or
- (b) in respect of any Composite Indices:
 - (i) the Index Sponsor publishes the level of such Composite Indices; and
 - (ii) either:
 - (A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Indices is open for trading during its regular trading session; or
 - (B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Indices is open for trading during its regular trading session,

in each case, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

"Exchange Business Day (Per Index Basis)" means, in respect of an Index, any Scheduled Trading Day on which:

- (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or
- (b) in respect of a Composite Index:
 - (i) the relevant Index Sponsor publishes the level of such Composite Index; and
 - (ii) either:
 - (A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or
 - (B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is open for trading during its regular trading session,

in each case, notwithstanding such Exchange or 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, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time; or
- (b) in respect of a Composite Index:
 - (i) the relevant Index Sponsor publishes the level of such Composite Index; and
 - (ii) either:
 - (A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or
 - (B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is open for trading during its regular trading session,

in each case, notwithstanding such Exchange or 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, in respect of such Indices are scheduled to be open for trading during their respective regular trading session(s); or
- (b) in respect of any Composite Indices:
 - (i) the Index Sponsor is scheduled to publish the level of such Composite Indices; and
 - (ii) either:
 - (A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Indices is open for trading during its regular trading session; or
 - (B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Indices is scheduled to be open for trading during its regular trading session;

"Scheduled Trading Day (Per Index Basis)" means, in respect of an Index, any day on which:

- (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s); or
- (b) in respect of a Composite Index:
 - (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index; and
 - (ii) either:
 - (A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or
 - (B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is scheduled to be open for trading during its regular trading session;

"Scheduled Trading Day (Single Index Basis)" means any day on which:

- (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s); or
- (b) in respect of a Composite Index:
 - (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index; and
 - (ii) either:
 - (A) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or

- (B) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is scheduled to be open for trading during its regular trading session;

"Settlement Cycle" means, in respect of an Index, the period of Clearance System Days following a trade in the security comprising such Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"Settlement Price" means, unless otherwise stated in the applicable Final Terms, in relation to each Security and subject to the provisions of this Annex 2 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the official closing level or official opening level, as specified in the applicable Final Terms, for such Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the official closing level or official opening level, as specified in the applicable Final Terms, of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

"Settlement Price Date" means the Strike Date, an Observation Date or the Valuation Date, as the case may be; 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) the Calculation Agent may replace the relevant Index with a new similar index, multiplied, if need be by a linking coefficient to ensure continuity in the condition of the underlying of the Securities; or
- (c)
 - (i) unless Delayed Redemption on Occurrence of Index Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may 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, payment being 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); or

- (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
- (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- (vi) if the Calculation Agent determines that such Index Adjustment Event constitutes a force majeure, and if Security Index Condition 3.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Noteholder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Note, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

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 Securities.

3.3 **Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Paying 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 Paying 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, Highest Value, Market Value or Monetisation Option are 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, payment being 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
- III. if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined in accordance with Condition 5.5(b)(i); or
- IV. if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined in accordance with Condition 5.5(b)(ii); or
- V. if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined in accordance with Condition 5.5(b)(iii); or
- VI. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Security Condition 6.2(a)(ii)(D)VI is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all

but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; 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, Highest Value, Market Value or Monetisation Option are 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, payment being 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
- III. if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
- IV. if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder and amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- V. if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- VI. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Security Condition 6.2(b)(ii)(D)VI is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event

(provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; 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, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Securities, in 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, payment being 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
- III. if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined in accordance with Condition 5.5(b)(i); or
- IV. if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined in accordance with Condition 5.5(b)(ii); or
- V. if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined in accordance with Condition 5.5(b)(iii); or
- VI. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Security Condition 6.2(c)(ii)(D)VI is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that

are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; 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 Paying 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 Paying Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

7. **Correction of Custom Index**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities calculated by reference to the level of a Custom Index, if the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

8. **Definitions relating to Custom Indices**

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

"**Banking Day**" means any week day except for 25 December and 1 January in any year;

"**Basket of Custom Indices**" means a basket comprised of two or more Custom Indices;

"**Closing Level**" means, in respect of a Custom Index and a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such day as determined by the Calculation Agent, subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

"**Custom Index**" or "**Custom Indices**" mean, subject to adjustment in accordance with this Annex 2, any index or indices specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

"**Custom Index Business Day**" means either (a) in the case of a single Index, Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Custom Index Business Day (All Indices Basis) or Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Custom Index Business Day (All Indices Basis) shall apply;

"**Custom Index Business Day (All Indices Basis)**" means any Scheduled Custom Index Business Day in respect of which (a) the level of the Custom Index is calculated and made available and (b) it is a Custom Index Trading Day in respect of all Indices in the Basket of Custom Indices;

"**Custom Index Business Day (Per Index Basis)**" means, in respect of an Index, any Scheduled Custom Index Business Day in respect of which (a) the level of the Custom Index is calculated and made available and (b) it is Custom Index Trading Day;

"**Custom Index Business Day (Single Index Basis)**" means any Scheduled Custom Index Business Day on which (a) the level of the Custom Index is calculated and made available and (b) it is a Custom Index Trading Day;

"**Custom Index Correction Period**" means the period specified in the applicable Final Terms or if none is so specified, ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Custom Index shall be disregarded for the purposes of any calculations to be made using the level of the Custom Index;

"**Custom Index Trading Day**" means, in respect of a Custom Index, any day with respect to which the Issuer and/or any of its Affiliates determines acting in good faith and in a commercially reasonable manner it is able to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any asset it deems necessary to hedge its obligations in respect of such Custom Index under the Securities;

"**Disrupted Day**" means any Scheduled Custom Index Business Day on which a Custom Index Disruption Event has occurred or is continuing in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner;

"**Index Sponsor**" means, in relation to a Custom Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Custom Index and (b) ensures the calculation and publication of the level of such Custom Index on a regular basis (directly or through an agent) in accordance with the rules of the Custom Index, which as of the Issue Date of the Securities is the index sponsor specified for such Custom Index in the applicable Final Terms;

"**Intraday Level**" means, in respect of a Custom Index and any time on a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such time or such day as determined by the Calculation Agent, subject as provided in Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

"**Observation Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of

Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) above shall apply;

"Observation Period" means the period specified as the Observation Period in the applicable Final Terms;

"Scheduled Custom Index Business Day" means either (a) in the case of a single Index, Scheduled Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Scheduled Custom Index Business Day (All Indices Basis) or Scheduled Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Custom Index Business Day (All Indices Basis) shall apply;

"Scheduled Custom Index Business Day (All Indices Basis)" means any Banking Day (a) in respect of which the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day in respect of all Custom Indices in the Basket of Custom Indices;

"Scheduled Custom Index Business Day (Per Index Basis)" means in respect of an Index, any Banking Day (a) on which the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

"Scheduled Custom Index Business Day (Single Index Basis)" means any Banking Day on which (a) the level of the Custom Index is scheduled to be calculated and made available and (b) that is a Custom Index Trading Day;

"Settlement Price" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date", as the case may be:

- (a) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Index comprising the Basket of Custom Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the level for each such Custom Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

"Specified Maximum Days of Disruption" means the number of days specified in the applicable Final Terms, or if not so specified, 20 Scheduled Custom Index Business Days;

"Strike Date" means the date(s) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of

Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) above shall apply;

"Strike Price" means, subject as referred to in "Strike Date" above:

- (a) in the case of Index Securities relating to a single Index, an amount equal to the level of the Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and
- (b) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Custom Index comprising the Basket of Custom Indices, an amount equal to the level of each such Custom Index published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date multiplied by the relevant Weighting.

"Valid Date" means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

"Valuation Date" means, the 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, unless Related Hedging is specified as not applicable in the applicable Final Terms, at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) unless Delayed Redemption on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract, Highest Value, Market Value or Monetisation Option are 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, payment being made in such manner as shall be notified to the Holders in accordance with Condition 17; or

- (b) if Delayed Redemption on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of 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); or
- (c) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
- (d) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder and amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- (e) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- (f) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, and if Index Security Condition 9.2(f) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

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 by the Calculation Agent acting in good faith and a commercially reasonable manner either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share (or on such other factors as the Calculation Agent shall

decide), multiplied by the relevant Weighting, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent, acting in good faith and in a commercially reasonable manner; and

- (b) in the case of Share Securities relating to a single Share, an amount equal to 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 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 (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 the relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company or Share Company, as the case may be, equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Company or Share Company, as the case may be, as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an extraordinary dividend as determined by the Calculation Agent;
- (d) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;
- (e) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, certificates, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

"Potential Adjustment Event Effective Date" means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities)

and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the 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, 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 Offer).

"Listing Suspension" means, in respect of any relevant Shares, that the listing of such Shares on the Exchange has been suspended.

"Merger Event" means, in respect of any relevant Shares, any:

- (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person,
- (b) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding),
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or
- (d) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant 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), (c) or (d) (in the case of Securities relating either to a single Share or a Basket of Shares) or, (b) or (e) below (in the case of Securities relating to a Basket of Shares) as it deems appropriate:

- (a) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of subparagraph (e) below;
- (b) in the case of Share Securities relating to a Basket of Shares, redeem in part by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed in part the portion (the "**Settled Amount**") of each Security representing the affected Share(s) shall be redeemed and the Issuer will:
 - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
 - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
 - (iii) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Security Condition 4.2(b)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of partial redemption; or
 - (iv) otherwise, 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, unless if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and

- (v) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such redemption 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, Highest Value, Market Value or Monetisation Option are 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, payment being 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
 - (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
 - (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
 - (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by

such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or

- (vi) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Security Condition 4.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
- (d) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (e) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

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 Extraordinary Event Effective Date.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner:

- (i) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (A) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (B) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (i) above, but such share is already included in the Basket of Shares or such Share does not satisfy the criteria set out in paragraph (i) above, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
 - (A) the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company;
 - (B) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company; and
 - (C) in the case of the occurrence of a CSR Event only, the relevant issuer of the share shall have a comparable Non-Financial Rating to the Affected Basket Company.

If the Calculation Agent determines that more than one Extraordinary Event occurs in respect of a Share Company or a Basket Company, which are not connected and have different consequences pursuant to this Share Security Condition 4.2, the Calculation Agent will determine which such Extraordinary Event and related consequences shall apply acting in good faith and in a commercially reasonable manner.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with 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 or delivery under the Securities, if the price of the relevant Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment or delivery under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

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 depositary charges, transaction charges, issue, registration, transfer and/or other expenses) which the Calculation Agent determines have been or may be deducted and/or may arise or may have arisen in respect of the Cash Dividend and/or any payment of the Cash Dividend Amount in respect of the Securities.

7. GDR/ADR

Share Security Conditions 8 to 12 (inclusive) apply where "GDR/ADR" is specified as applicable in the applicable Final Terms.

8. Definitions relating to GDR/ADR

"**ADR**" means an American Depositary Receipt;

"**Conversion Event**" means any event which in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed Securities of the issuer of the Underlying Shares;

"**GDR**" means a Global Depositary Receipt; and

"**Underlying Shares**" means the shares underlying an ADR or GDR, as the case may be.

9. General

Save where specifically provided under the Final Terms, all references in the Conditions and the Share Security Conditions to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable, and/or the Underlying Shares, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the Underlying Shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the Underlying Shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the holders of Securities.

10. Share Event

Upon the occurrence of a Share Event, the Issuer may take the action described in paragraphs (a), (b), (c), (d) or (e), as applicable, of Share Security Condition 4.2. The Issuer shall give notice as soon as practicable to the Holders in accordance with 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 depositary of the Underlying Shares to withdraw or surrender the Underlying Shares;
- (b) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event, the Calculation Agent, 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.

ETI Share Provisions not applicable

If ETI Share Provisions is specified as not applicable in the applicable Final Terms, ETI Security Conditions 1 to 8 (inclusive) shall apply.

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 principal 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 (a) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (b) in the case of an ETI Basket, (i) Exchange Business Day (All ETI Interests Basis) or (ii) 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 100,000,000 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 (a) in the case of a single ETI and in relation to an ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (b) in the case of an ETI Basket, (i) Scheduled Trading Day (All ETI Interest Basis) or (ii) 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, Scheduled Trading 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 each Exchange and each 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:

- (i) unless Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms as applicable:
 - (A) the amount specified in the applicable Final Terms;
 - (B) the Principal Protected Termination Amount; or
 - (C) the Non-Principal Protected Termination Amount,in each case, as specified in the applicable Final Terms, such amount to be payable on the Termination Date; or
- (ii) if Highest Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Security Condition 5.5(b)(i); or
- (iii) if Market Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Security Condition 5.5(b)(ii); or
- (iv) if Monetisation Option is specified as applicable in the applicable Final Terms, an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Security Condition 5.5(b)(iii);
- (v) if the Calculation Agent determines that the relevant Extraordinary ETI Event or combination of Extraordinary ETI Events constitutes a force majeure, and if ETI Event Force Majeure is specified as applicable in the applicable Final Terms, an amount in respect of each Security, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption;

"Termination Date" means (i) the date determined by the Issuer as provided herein 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;
- 4.24 If at any time on or after the Trade Date of the first issue of the Series, (i) the Hedge Provider unintentionally acquires directly or indirectly any ownership interest in an ETI that exceeds 10 per cent. of the total assets under management or (ii) as a consequence of changes in the performance, size, investment strategy or liquidity of an ETI, the Hedge Provider holds an ownership interest in such ETI that exceeds 10 per cent. of the total assets under management;

Miscellaneous Events:

- 4.25 in the case of Securities linked to an ETI Basket, a Basket Trigger Event occurs;
- 4.26 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);
- 4.27 the occurrence of a Loss of Stock Borrow;
- 4.28 the occurrence of an Additional Extraordinary ETI Event;
- 4.29 if the relevant ETI Documents provide for the payment of dividends, the occurrence of a Dividend Event;
- 4.30 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).

All of the events listed in this ETI Security Condition 4 (Extraordinary ETI Events) will constitute an Extraordinary ETI Event, unless SC/FM ETI Events is specified as applicable in the applicable Final Terms, in which case, the events described in ETI Security Conditions 4.17, 4.18, 4.19(iv), 4.19(v), 4.20, 4.21, 4.22, 4.23, 4.24 and 4.27 will not constitute an Extraordinary ETI Event.

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 ETI Event, howsoever arising. If the Calculation Agent gives an Extraordinary ETI Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Issuer has determined the action to take pursuant to ETI Security Condition 6.2 below.

6.2 Following the occurrence of an Extraordinary ETI Event, the Issuer may take the action described below in (a), (b) or (c).

(a) Adjustment

If the Issuer determines that the action taken in respect of the Extraordinary ETI Event is to be "**Adjustment**", then it may:

- (i) require the Calculation Agent to determine, acting in good faith and in a commercially reasonable manner, the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary ETI Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities and a change in the Weighting of any remaining ETI Interest(s) not affected by an Extraordinary ETI Event. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary ETI Event made by any options exchange to options on the ETI Interests traded on that options exchange; or
- (ii) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer shall select (the "**Options Exchange**"), require the

Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary ETI Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(b) Substitution

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Substitution**", the Calculation Agent shall on or after the relevant Extraordinary ETI Event Effective Date, substitute each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary ETI Event with an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") and the Substitute ETI Interest will be deemed to be an "**ETI Interest**" and the relevant issuer of such Substitute ETI Interest, an "**ETI**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute ETI Interest will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

where:

"**A**" is the Settlement Price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"**B**" is the Initial Price of the relevant Affected ETI Interest; and

"**C**" is the Settlement Price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the ETI Basket will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary ETI Event Effective Date.

The Weighting of each Substitute ETI Interest will be equal to the Weighting of the relevant Affected ETI Interest.

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner:

- (i) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer (a) in the case of ETI Securities related to a single ETI, and (b) in the case of ETI Securities related to an ETI Basket, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (i) the relevant share/unit/interest is not already included in the ETI Basket and (ii) it is or as of the relevant Extraordinary ETI Event Effective Date is promptly scheduled to be, (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) (a) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph (i) above, but such share/unit/interest is (in the case of an ETI Security related to an ETI Basket), already included in the ETI Basket, or (b) where the Extraordinary ETI Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to, a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region), investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent;

(c) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Termination**", on giving notice to Holders in accordance with 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 Securities shall be redeemed by payment of the Termination Amount on the Termination Date, payment being 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 loss 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**

To the extent permitted by any applicable law, 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.

ETI Share Provisions applicable

If ETI Share Provisions are specified as applicable in the applicable Final Terms, ETI Security Conditions 9 to 14 (inclusive) will apply.

9. **Definitions relating to ETI Shares**

"Basket of ETI Interests" means a basket composed of ETI Interests of each ETI specified in the applicable Final Terms in the weightings or numbers of ETI Interests of each ETI specified in the applicable Final Terms;

"Clearance System" means the principal domestic clearance system customarily used for settling trades in the relevant ETI;

"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 Interest and a Scheduled Trading Day, the official closing price 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 11 (Potential Adjustment Events) or ETI Security Condition 12 (Extraordinary 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;

"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;

"ETI" means the legal vehicle and/or legal arrangements that issue the ETI Interests;

"ETI Correction Period" means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

"ETI Documents" means, with respect to an ETI, the constitutive and governing documents, subscription agreements and other agreements of the ETI specifying the terms and conditions relating to such ETI and/or the ETI Interests, in each case, as amended from time to time;

"ETI Interests" means units in the ETI as specified in the applicable Final Terms;

"ETI Manager" means, in respect of an ETI, each of the investment advisor, investment manager and sub-manager of such ETI, and any other key individual or entity involved with or having supervisory or management powers over such ETI;

"ETI Strategy" means, in respect of an ETI, the strategies or investment guidelines stated in the ETI Documents, which contribute to the net asset value of the ETI Interests;

"Exchange" means, in respect of 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 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 (a) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (b) in the case of a Basket of ETI Interests, (i) Exchange Business Day (All ETI Interests Basis) or (ii) 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 a Basket of ETI Interests, 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 Basket of ETI Interests 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 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 ETI Interest(s) on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETI Interest(s) on any relevant Related Exchange;

"Intraday Price" means, in respect of an ETI interest and any time on a Scheduled Trading Day, the published or quoted price in respect of the relevant ETI Interest at such time on such day as determined by the Calculation Agent, subject as provided in ETI Security Condition 11 (Potential Adjustment Events) or ETI Security Condition 12 (Extraordinary Events);

"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 (a) in the case of a single ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (b) in the case of a Basket of ETI Interests, (i) Scheduled Trading Day (All ETI Interests Basis) or (ii) 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, Scheduled Trading Day (Per ETI Interest Basis) shall apply;

"**Scheduled Trading Day (All ETI Interests Basis)**" means, in respect of a Basket of ETI Interests, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all ETI Interests comprised in the Basket of ETI Interests 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 "Strike Date", "Observation Date", "Valuation Date" or "Averaging Date", as the case may be:

- (a) in the case of ETI Securities relating to a Basket of ETI Interests and in respect of each ETI Interest comprising the Basket of ETI Interests, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest 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 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 ETI Interest whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined 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 Interests (or on such other factors as the Calculation Agent shall

decide), multiplied by the relevant Weighting, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent acting in good faith and in a commercially reasonable manner; and

- (b) in the case of ETI Securities relating to a single ETI Interest, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest 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 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 ETI Interest 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 Interests (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; 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 ETI Interest on the Exchange; or (b) in futures or options contracts relating to the ETI Interest on any relevant Related Exchange.

10. **Market Disruption**

"Market Disruption Event" means, in relation to Securities relating to a single ETI Interest or a Basket of ETI Interests, in respect of an ETI Interest, 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.

11. **Potential Adjustment Events**

"Potential Adjustment Event" means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant ETI Interests (unless resulting in a Merger Event) or a free distribution or dividend of any such ETI Interests to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant ETI Interests of (i) such ETI Interests or (ii) other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the ETI equally or proportionately with such payments to holders of such ETI Interests or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the ETI, 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 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 an ETI in respect of relevant ETI Interests that are not fully paid;
- (e) a repurchase by the ETI or its subsidiaries of relevant ETI Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of an ETI, 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 ETI, 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 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, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Following the declaration by the relevant ETI 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 Interest 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 ETI Interest) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to (i) the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interests traded on that options exchange and (ii) any adjustment(s) made by the ETI Manager to the ETI Interest.

Notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with 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.

12. Extraordinary Events

12.1 The occurrence of any Delisting, ETI Currency Change, ETI Modification, ETI Reclassification, ETI Redemption or Subscription Event, ETI Regulatory Action, ETI Reporting Event, ETI Strategy Breach, ETI Termination, Insolvency, Merger Event, Nationalisation or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, Listing Suspension or Tender Offer, as the case may be, shall be deemed to be an "**Extraordinary Event**", the consequences of which are set forth in ETI Security Condition 12.2 (Consequences of an Extraordinary Event):

"**Delisting**" means, in respect of any relevant ETI Interest, the Exchange announces that pursuant to the rules of such Exchange, such ETI Interests 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).

"**ETI Currency Change**" means that the net asset value of the ETI is quoted in a different currency to that quoted as of the Trade Date of the Securities.

"**ETI Modification**" means any change or modification of the ETI Documents that in the determination of the Calculation Agent could reasonably be expected to affect the value of the ETI Interests or the rights of or remedies available to any holders thereof on the Trade Date of the Securities.

"**ETI Reclassification**" means (a) the occurrence of the reclassification of the ETI Interests or (b)(i) proposal for or (b) the occurrence of the acquisition of the ETI by, or the aggregation of the ETI into, another fund the mandate, risk-profile and/or benchmarks of which the Calculation Agent determines to be different from the mandate, risk-profile and/or benchmarks of the ETI as compared to the Trade Date of the Securities (or any proposal for the foregoing occurs).

"**ETI Redemption or Subscription Event**" means (i) the suspension of any transfer of any ETI Interests, (ii) the introduction of a mandatory redemption or partial redemption of the ETI Interests, (iii) the non-execution of any creation, subscription or redemption order in respect of the ETI Interests, or (iv) the introduction or proposed introduction of subscription or redemption fees or an increase of such fees with respect to the ETI Interests in excess of those in effect as of the Trade Date of the Securities.

"**ETI Regulatory Action**" means (i) any cancellation, suspension or revocation of the registration or approval of the ETI or the ETI Interests by any governmental, legal or regulatory entity with authority over the ETI or the ETI Interests, (ii) any change in the legal, tax, accounting or regulatory treatments of the ETI, any ETI Manager or the ETI Interests that the Calculation Agent determines has or is reasonably likely to have an adverse impact on the investors in the ETI or the holders of the ETI Interests or on the value of the ETI Interests, or (iii) the ETI or its ETI Manager becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving any activities relating to or resulting from the operation of the ETI, (including, without limitation, any future, announced or implemented material change to any one or more exemptive orders, no action letters or interpretative guidance of the U.S. Securities and Exchange Commission (the "**SEC**"), including guidance issued by the SEC's staff, relating to the ETI or to

exchange traded funds generally that affects holders of the ETI Interests, whether occurring through action of the SEC or otherwise, including as a result of a court order or executive order) that the Calculation Agent determines has or is reasonably likely to have a material adverse effect on the value, redeemability or liquidity of the ETI Interests, or the operation of the ETI in accordance with the terms of the ETI Documents or (iv) the issuance by the SEC of an order to suspend the redemption obligations of the ETI, to freeze assets of the ETI or to take any other action that the Calculation Agent determines is reasonably likely to have a material effect on the value, redeemability or liquidity of the ETI.

"ETI Reporting Event" means, the occurrence of any event affecting the ETI that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the net asset value of the ETI, and such event continues for at least five consecutive Exchange Business Days.

"ETI Strategy Breach" means any change to, breach or violation, intentional or otherwise, of the ETI Strategy that is reasonably likely to affect the value of the ETI Interest or the rights of or remedies available to any holders thereof.

"ETI Termination" means the cessation or unwinding, by the ETI Manager, of the legal arrangements which gave rise to the ETI.

"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.

"Illiquidity" means, in respect of ETI Securities relating to a Basket of ETI Interests, 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 an ETI Interest 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 ETI Interest on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of ETI Interests 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 ETI Interests) or lower than the MID minus 1 per cent. (in relation to a sale of ETI Interests). 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 ETI Interest 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 ETI (a) all the ETI Interests of such ETI are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the ETI Interests of such ETI become legally prohibited from transferring such ETI Interests.

"Listing Change" means, in respect of any relevant ETI Interests, that such ETI Interests 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 ETI Interests were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Offer).

"Listing Suspension" means, in respect of any relevant ETI Interests, that the listing of such ETI Interests on the Exchange has been suspended.

"Merger Event" means, in respect of any relevant ETI Interests, any:

- (a) 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,

- (b) consolidation, amalgamation, merger or binding share exchange of the ETI, 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 ETI is the continuing entity and which does not result in a reclassification or change of all of such ETI Interests 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 ETI Interests of such 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
- (d) consolidation, amalgamation, merger or binding share exchange of the ETI or its subsidiaries with or into another entity in which such 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 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 Maturity Date.

"Nationalisation" means that all the ETI Interests or all or substantially all the assets of the ETI are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

"Tender Offer" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the ETI, 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.

12.2 Consequences of an Extraordinary Event

If an Extraordinary Event occurs in relation to an ETI Interest, the Issuer may take any of the relevant actions described in (a), (c) or (d) (in the case of Securities relating to either a single ETI Interest or a Basket of ETI Interests), or (b) or (e) below (in the case of Securities relating to a Basket of ETI Interests) as it deems appropriate:

- (a) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests 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 ETI Interests traded on that options exchange. In addition, in relation to a Basket of ETI Interests, the Calculation Agent may adjust the Basket of ETI Interests in accordance with the provisions of subparagraph (e) below;

- (b) in the case of ETI Securities relating to a Basket of ETI Interests, redeem in part by giving notice to Holders in accordance with Condition 17. If the Securities are so redeemed in part the portion (the "**Settled Amount**") of each Security, representing the affected ETI Interest(s) shall be redeemed and the Issuer will:
- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i);
 - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
 - (iii) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if ETI Security Condition 12.2(b)(iii) is specified in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem in part the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of partial redemption; or
 - (iv) otherwise, 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, unless if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and
 - (v) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such redemption 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, Highest Value, Market Value or Monetisation Option are 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, payment being 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

- (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
 - (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
 - (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
 - (vi) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if ETI Security Condition 12.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.
- (d) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other

terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary 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 ETI Interests to include an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") for each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary Event 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 official closing 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 official closing price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of ETI Interests 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 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 Event is a Merger Event or a Tender Offer, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person (other than the Affected ETI Interest) 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 (a) the relevant share/unit/interest is not already included in the Basket of ETI Interests and (b) it is or as of the relevant Extraordinary 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 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 already included in the Basket of ETI Interests, or (b) where the Extraordinary 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.

If the Calculation Agent determines that more than one Extraordinary Event occurs in respect of ETI, which are not connected and have different consequences pursuant to this ETI Security Condition 12.2, the Calculation Agent will determine which such Extraordinary Event and related consequences shall apply acting in good faith and in a commercially reasonable manner.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 17 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto.

13. Correction of ETI Interest 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 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 Exchange 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 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.

14. Calculations and Determinations

To the extent permitted by any applicable law, 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 in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

"Non-Commencement or Discontinuance of an Exchange-traded Contract" means there is no Daily Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to the Valuation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Current Exchange-traded Contract.

Debt Security Condition 3 (Market Disruption), Debt Security Condition 4 (Correction of Debt Instrument Price) and Debt Security Condition 5 (Redemption or Cancellation of a Debt Instrument) will not apply if Futures Price Valuation applies.

If Futures Price Valuation applies, references in the 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.

"**Protected Amount**" means the amount specified as such in the applicable Final Terms.

"**Reference Price**" means, in respect of a Debt Instrument, the bid price, mid price, offer price, bid yield, mid yield or offer yield specified as such for such Debt Instrument in the applicable Final Terms.

"**Scheduled Trading Day**" means an Exchange Business Day.

"**Settlement Cycle**" means, in respect of a Debt Security or Exchange-traded Contract, the period of Clearance System Days following a trade in such security or contract, as the case may be, on the relevant exchange in which settlement will customarily occur according to the rules of such exchange.

ANNEX 6

ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to 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 Security Condition 4 (Adjustments to a Commodity Index);

"Limit Price Event" means that the settlement price of any Commodity or Index Component has increased or decreased from the previous day's published settlement price by an amount equal to the maximum amount permitted under the applicable exchange rules for such Commodity or Index Component.

"Material Change in Content" means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or Futures Contract or, in the case of a Commodity Index, Index Component;

"Material Change in Formula" means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price or any Index Component used to calculate the Commodity Reference Price;

"Nearby Month", when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (a) "First Nearby Month" means the month of expiration of the first Futures Contract to expire following that Pricing Date; (b) "Second Nearby Month" means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (c) "Sixth Nearby Month" means the month of expiration of the sixth Futures Contract to expire following that Pricing Date;

"Price Source" means the publication (or such other origin of reference, including an Exchange or Index Sponsor or Index Calculation Agent) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the relevant Commodity Reference Price;

"Price Source Disruption" means (a) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, or (b) the temporary or permanent discontinuance or unavailability of the Price Source;

"Pricing Date" or **"Interest Pricing Date"** means each date specified in the Final Terms as being the Initial Pricing Date, an Averaging Date, an Observation Date, an Automatic Early 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 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)
 - (i) unless Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms, 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 being made in such manner as shall be notified to the Holders in accordance with Condition 17.
 - (ii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
 - (iii) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
 - (iv) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or

- (v) if the Calculation Agent determines that such Market Disruption Event constitutes a force majeure, and if Commodity Security Condition 3(c)(v) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Note, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

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) (A) unless Highest Value, Market Value or Monetisation Option are specified as 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 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, payment being made in such manner as shall be notified to the Holders in accordance with Condition 17;

- (B) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
- (C) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- (D) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- (E) if the Calculation Agent determines that such Commodity Index Adjustment Event constitutes a force majeure, and if Commodity Security Condition 4(b)(ii)(E) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

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 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 specified in the applicable Final Terms for which the level of the Inflation Index was reported, regardless of when this information is published or announced. If the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Reference Level was reported;

"Related Bond" means the bond specified as such in the relevant Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms and that bond redeems or matures before the relevant 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 Valuation Date at any time on or prior to the Cut-Off Date;

"Settlement Price" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, 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 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, provided that if Inflation Index Level Adjustment is specified as applicable in the applicable Final Terms, the Calculation Agent will only be permitted to make any such adjustment in accordance with this Condition if the Calculation Agent determines that the delay in publication was not attributable to the Issuer, but substantially, alters the economics of the Securities compared to the economics as of the Issue Date. The Issuer shall give notice to the Holders of any such adjustment in accordance with 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.

Notwithstanding the foregoing, if Inflation Index Level Adjustment is specified as applicable in the applicable Final Terms, the Calculation Agent will only be permitted to make any such adjustment in accordance with this Inflation Index Security Condition 4.3 if the Calculation Agent determines that the delay in publication was not attributable to the Issuer, but substantially, alters the economics of the Notes compared to the economics as of the Issue Date.

4.4 **Currency**

If the Calculation Agent determines that any event occurs affecting the Specified Currency or Settlement Currency, as applicable, (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the 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, provided that if Currency Adjustment is specified as applicable in the applicable Final Terms, the Calculation Agent will only be permitted to make any such adjustment if the Calculation Agent determines that the event affecting the Specified Currency or the Settlement Currency was not attributable to the Issuer, but substantially alters the economics of the Notes compared to the economics as of the Issue Date. 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) (i) unless Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, 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, payment being made in such manner as shall be notified to Holders in accordance with Condition 17; or
- (ii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of

the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or

- (iii) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- (iv) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- (v) if the Calculation Agent determines that such Index Cancellation constitutes a force majeure, and if Inflation Index Security Condition 4.7(b)(v) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

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) unless specified as not applicable in the applicable Final Terms, Illiquidity Disruption;
- (c) Dual Exchange Rate; or
- (d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) (if applicable) or (c).

The Calculation Agent shall give notice as soon as practicable to 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), (b) or (c) below.

- (a) if a Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Settlement Price Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day (in the case of any Settlement Price Date) or Valid Date (in the case of an Averaging Date or Strike Day) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled

Settlement Price Date is a Disrupted Day in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the Settlement Price Date (irrespective of whether that last consecutive Scheduled Trading Day is already a Settlement Price Date) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Subject Currency as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or

- (b) (i) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and unless any of Delayed Redemption on Occurrence of a Disruption Event, Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, the Issuer may 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 equal to the fair market value of such Security taking into account the 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 of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with 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 taking into account the 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 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);
- (iii) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i);
- (iv) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii);
- (v) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such

Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or

- (vi) if any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if the Calculation Agent determines that such Disruption Event constitutes a force majeure, and if Currency Security Condition 3(b)(vi) is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
- (c) unless Disruption Event Postponement is specified as not applicable in the applicable Final Terms, notwithstanding any provisions in the Conditions to the contrary, postpone any payment date related to such Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be provided or announced by the Price Source), as the case may be (including the 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 100,000,000, or the equivalent in any other currency;

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Fund Business Day, the immediately following Fund Business Day;

"**Basket Trigger Event**" means that an Extraordinary Fund Event occurs in respect of one or more Funds comprising the Fund Basket or the Fund Index, as the case may be, which has or, in the event that an Extraordinary Fund Event has occurred in respect of more than one Fund, together have, a Weighting in the Fund Basket or the Fund Index, as the case may be, equal to or greater than the Basket Trigger Level;

"**Basket Trigger Level**" has the meaning given to it in the applicable Final Terms or if not so specified, 50 per cent.;

"**Calculation Date**" means each day(s) specified in the applicable Final Terms, or if not so specified, each day which is a Fund Business Day;

"**Delayed Payment Cut-off Date**" has the meaning given in the applicable Final Terms or, if not so specified, the date falling two calendar years after the originally designated 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 or, in the case of a Fund Index, each Fund Index Component comprised in such Fund Index;

"**Fund Basket**" means, where the Fund Securities are linked to the performance of Fund Shares of more than one Fund or more than one Fund Index, a basket comprising such Fund Shares or Fund Indices, as the case may be;

"**Fund Business Day**" means either (i) with respect to single Fund, Fund Business Day (Single Fund Share Basis), or (ii) in respect of a Fund Basket or a Fund Index, either Fund Business Day (All Fund Shares Basis) or Fund Business Day (Per Fund Share Basis) as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Fund Business Day (Per Fund Share Basis) shall apply;

"Fund Business Day (All Fund Shares Basis)" means, with respect to a Fund Basket or a Fund Index, a date (i) that is a Fund Valuation Date for all Fund Shares comprised in the Fund Basket or the Fund Index, as the case may be and (ii) on which the Hedge Provider has, or could have, a subscription or redemption order for each such Fund Share executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

"Fund Business Day (Per Fund Share Basis)" means, with respect to a Fund Share, a date (i) that is a Fund Valuation Date in respect of such Fund Share and (ii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

"Fund Business Day (Single Fund Share Basis)" means with respect to a Fund Share, a date (i) that is a Fund Valuation Date and (ii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally publishes or reports such value) in respect of such Fund Valuation Date;

"Fund Documents" means, with respect to any Fund Share, the offering document of the relevant Fund in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such Fund Share and, for the avoidance of doubt, any other documents or agreements in respect of the Fund, as further described in any Fund Document;

"Fund Index" means an index comprising one or more funds (each such Fund comprising a Fund Index a **"Fund Index Component"**) and specified as a Fund Index in the applicable Final Terms;

"Fund Index Sponsor" means the entity that publishes or announces (directly or through an agent) the level of the Fund Index, which as of the Issue Date is the index sponsor specified in respect of a Fund Index in the applicable Final Terms;

"Fund Service Provider" means, in respect of any Fund, any person who is appointed to provide services, directly or indirectly, in respect of such Fund, whether or not specified in the Fund Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms;

"Fund Share(s)" means (i) an ownership interest issued to or held by an investor in a Fund or any other interest specified as such in the applicable Final Terms or (ii) in the case of a Fund Index, the shares (or other ownership interest) in a Fund Index Component comprised in each such Fund Index;

"Fund Valuation Date" means any date as of which, in accordance with the Fund Documents, the Fund (or the Fund Service Provider that generally determines such value) is or but for the occurrence of an Extraordinary Fund Event would have been scheduled to determine the NAV per Fund Share;

"Hedge Fund" means the hedge fund(s) specified as such in the applicable Final Terms;

"Hedge Provider" means the party (being, *inter alios*, the Issuer, the Guarantor, 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;

"Maximum Days of Disruption" means the number of Fund Business Days specified in the applicable Final Terms, or if not so specified, 10 Fund Business Days;

"Merger Event" means, in respect of any relevant Shares and Entity (as defined below), any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such Entity, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of an Entity that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity or its subsidiaries with or into another entity in which the Entity is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Extraordinary Fund Event Effective Date, as determined by the Calculation Agent, is on or before the Final Calculation Date. For the purposes of this definition of "Merger Event" only, "**Shares**" shall mean the applicable Fund Shares or the shares of any applicable Fund Service Provider, as the context may require, and "**Entity**" shall mean the applicable Fund or any applicable Fund Service Provider, as the context may require.

"Mutual Fund" means the mutual fund(s) specified as such in the applicable Final Terms;

"NAV per Fund Share" means, with respect to the relevant Fund Shares and a Fund Business Day, (i) the net asset value per Fund Share as of the related Fund Valuation Date, as reported by the Fund Service Provider that generally publishes or reports such value on behalf of the Fund to its investors or a publishing service, or (ii) if the Fund Service Provider of the Fund publishes or reports only the aggregate net asset value of the Fund Shares, the net asset value per Fund Share calculated by the Calculation Agent on the basis of such aggregate net asset value of the Fund Shares divided by the number of Fund Shares issued and outstanding as of the related Fund Valuation Date;

"NAV Trigger Event" means, in respect of the Fund Shares, that (i) the NAV per Fund Share has decreased by an amount equal to, or greater than, the NAV Trigger Percentage(s) at any time during the related NAV Trigger Period, or (ii) the Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgement of any court or other agency of government applicable to it or any of its assets, the Fund Documents or any other contractual restriction binding on or affecting the Fund or any of its assets;

"NAV Trigger Percentage" means the percentage specified in the applicable Final Terms or, if not so specified, with respect to (i) a Mutual Fund 50 per cent., or (ii) a Hedge Fund 50 per cent.;

"NAV Trigger Period" means the period specified in the applicable Final Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date;

"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" means, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date", as the case may be:

- (i) in the case of Fund Securities relating to a Basket of Fund Indices and in respect of each Fund Index comprising the Basket of Fund Indices, an amount (which shall be deemed to be a monetary value in the Fund Index Currency) equal to the official level for each such Fund Index published by the Fund Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Fund Index determined by the Calculation Agent at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Strike Date, Observation Date or the Valuation Date, as the case maybe, or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (ii) in the case of Fund Securities relating to a single Fund Index, an amount equal to the official level of the Fund Index published by the Fund Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Fund Index determined by the Calculation Agent at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Strike Date, Observation Date or the Valuation Date, as the case maybe, or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

"Settlement Price Date" means the Strike Date, an Averaging Date, an Observation Date or the Valuation Date, as the case may be;

"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:

- (i) unless Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms as applicable:
 - (A) the amount specified in the applicable Final Terms;
 - (B) the Principal Protected Termination Amount; or
 - (C) the Non-Principal Protected Termination Amount,in each case, as specified in the applicable Final Terms, such amount to be payable on the Termination Date; or
- (ii) if Highest Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
- (iii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- (iv) if Monetisation Option is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- (v) if the Calculation Agent determines that the relevant Extraordinary Fund Event or combination of Extraordinary Fund Events constitutes a force majeure, and if Fund Event Force Majeure is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption;

"**Termination Date**" means (i) the date determined by the Issuer, as provided herein, 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;
- 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;
- 2.32 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**");
- 2.33 at any time on or after the Trade Date of the first issue of the Series, (i) the Hedge Provider unintentionally acquires directly or indirectly any ownership interest in a Fund that exceeds 10 per cent. of the total assets under management or (ii) as a consequence of changes in the performance, size, investment strategy or liquidity of a Fund, the Hedge Provider holds an ownership interest in such Fund that exceeds 10 per cent. of the total assets under management;

Dealing Events:

- 2.34 (i) the non-execution or partial-execution by the Fund for any reason of a subscription or redemption order in respect of any Fund Shares (including, for the avoidance of any doubt, any non-execution by the Fund pending completion of its fiscal audit) (ii) the Fund suspends or refuses transfers of any of its Fund Shares (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of Fund Shares), (iii) the Fund imposes in whole or in part any restriction (including, without limitation, any redemption in specie), charge or fee in respect of a redemption or subscription of its Fund Shares by the Hedge Provider or exercises its right to claw back the proceeds already paid on redeemed Fund Shares, if in any case it could in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner have an adverse impact on the Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Securities, or (iv) a mandatory redemption, in whole or in part, of the Fund Shares is imposed by the Fund on any one or more holders of Fund Shares at any time for any reason;

Miscellaneous Events:

- 2.35 in the case of Securities linked to a Fund Basket or a Fund Index, a Basket Trigger Event occurs;
- 2.36 the Fund or any Fund Service Provider defaults under, materially modifies, or terminates any rebate agreements in place with the Issuer, the Hedge Provider or any of its Affiliates;
- 2.37 if the Fund is part of an umbrella structure with more than one sub-fund, a cross-contamination or other failure to segregate the portfolio of assets held by the Fund occurs between different series, classes and/or sub-funds;
- 2.38 any security granted by the Fund or any Fund Service Provider over any of its assets is enforced or becomes capable of being enforced or any arrangement which in the determination of the Calculation Agent is comparable to security over any such assets (including without limitation any repo or prime brokerage arrangement) becomes enforceable or capable of early termination or any derivatives, repo, securities lending or other trading or dealing arrangement relating to the assets of the Fund becomes enforceable or terminable early by reason of any event of default (howsoever described) relating to the Fund or the relevant Fund Service Provider; or
- 2.39 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider or any parent company (howsoever described) of the Fund, by Moody's Investors Service Inc., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any Fund Service Provider by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's).

References solely in this Fund Security Condition 2 (Extraordinary Fund Events) to:

- (i) "**Fund**" shall include the Fund and any funds in which it invests any of its investible assets from time to time; and
- (ii) "**Fund Shares**" shall include the Fund Shares and the shares or units in any Fund (as defined in paragraph (i) above).

All of the events listed in this Fund Security Condition 2 (Extraordinary Fund Events) will constitute an Extraordinary Fund Event, unless SC/FM Fund Events is specified as applicable in the applicable Final Terms, in which case the events described in Fund Security Conditions 2.13, 2.17, 2.26, 2.27(iv), 2.27(v), 2.28, 2.29, 2.30, 2.31, 2.32, 2.33 and 2.34(iii) will not constitute an Extraordinary Fund Event.

3. Determination of Extraordinary Fund Events

The Calculation Agent will determine if an Extraordinary Fund Event has occurred acting in good faith and in a commercially reasonable manner. Where the occurrence of an event or set of circumstances is capable of triggering more than one Extraordinary Fund Event, the Issuer may determine which Extraordinary Fund Event is to be triggered.

In considering whether the occurrence of an event or set of circumstances triggers an Extraordinary Fund Event, the Calculation Agent may have regard to the combined effect, from the Trade Date, of any event or set of circumstances, as the case may be, if such event or set of circumstances occurs more than once.

4. Consequences of an Extraordinary Fund Event

- 4.1 If the Calculation Agent determines that an Extraordinary Fund Event has occurred, the Calculation Agent shall give notice (an "**Extraordinary Fund Event Notice**") to the 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 (in the case of a Fund that is not a Fund Index Component) or Fund Security Condition 4.3 (in the case of a Fund that is a Fund Index Component) 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 or Fund Security Condition 4.3, as the case may be.

- 4.2 In the case of a Fund that is not a Fund Index Component, following the occurrence of an Extraordinary Fund Event, the Issuer may take the action described below in 4.2(a), (b) or (c) provided that, if the Calculation Agent determines that an Extraordinary Fund Event has occurred or is continuing on the Delayed Payment Cut-off Date in accordance with the provisions of Fund Security Condition 5 below, the Issuer shall determine that the action to be taken in respect of the Extraordinary Fund Event is "**Termination**".

(a) Adjustment

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Adjustment**", then the Calculation Agent may determine, acting in good faith and in a commercially reasonable manner, the appropriate adjustment(s), if any, to be made to any one or more Fund, Fund Share and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to take account of the Extraordinary Fund Event and determine the effective date of such adjustment.

(b) Substitution

If the Issuer determines that the action in respect of the Extraordinary Fund Event is to be "**Substitution**", the Calculation Agent shall:

- (i) determine the weighted average price at which a Hypothetical Investor can redeem the Fund Shares in the relevant Fund (the "**Affected Fund**") in such number as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner as soon as it is reasonably practicable following the Extraordinary Fund Event;
- (ii) for a period of not longer than 14 calendar days following the date on which a Hypothetical Investor would have received proceeds from a redemption order in full submitted by the Hedge Provider as soon as practicable following the occurrence of an Extraordinary Fund Event, use reasonable efforts to substitute the Fund Shares with shares, units or other similar interests in an alternative fund which, in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner, has similar characteristics to the Affected Fund, including but not limited to, comparable

investment objectives, investment restrictions and investment processes and has service providers acceptable to the Calculation Agent;

- (iii) if no alternative fund can be determined pursuant to the preceding sub-paragraph (ii) above, use reasonable efforts to substitute the Fund with an index (or a fund tracking such index) selected by the Calculation Agent acting in good faith and in a commercially reasonable manner; and
- (iv) following any substitution in accordance with sub-paragraph (ii) or (iii) above, the Issuer may require the Calculation Agent make such determinations and/or adjustments to these Terms and Conditions and/or the Final Terms as it determines to be appropriate to take account of such Substitution.

(c) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Termination**", on giving notice to Holders in accordance with 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 Securities shall be redeemed by payment of the Termination Amount on the Termination Date payment being made in such manner as shall be notified to the Holders in accordance with Condition 17.

4.3 In the case of a Fund that is a Fund Index Component, following the occurrence of an Extraordinary Fund Event, the Issuer may take the action described below in 4.3(a), (b) or (c):

- (a) if the Extraordinary Fund Event occurs or is subsisting on a Settlement Price Date, require the Calculation Agent to determine the relevant index level and the Settlement Price for such date using the NAV per Fund Share for each Fund Index Component comprising the relevant Fund Index in accordance with (A) and (B) below in accordance with the formula for and method of calculating the index level on the date on which the Extraordinary Fund Event occurs;
 - (A) with respect to each Fund Index Component which is not affected by an Extraordinary Fund Event, the index level will be calculated using the NAV per Fund Share of such Fund Index Component on the relevant Settlement Price Date; and
 - (B) with respect to each Fund Index Component which is affected by an Extraordinary Fund Event (each an "**Affected Fund Index Component**"), the index level will be calculated using the NAV per Fund Share of such Fund Index Component on the first Fund Business Day following the relevant Settlement Price Date on which no Extraordinary Fund Event occurs or is subsisting with respect to the Affected Fund Index Component, unless an Extraordinary Fund Event in respect of the Affected Fund Index Component is occurring for the number of consecutive Fund Business Days equal to the Maximum Days of Disruption immediately following the relevant Settlement Price Date. In that case the last such consecutive Fund Business Day shall be deemed to be the Settlement Price Date for the Affected Fund Index Component, notwithstanding the Extraordinary Fund Event and the Calculation Agent will determine the price of the Affected Fund Index Component based upon the price at which a Hypothetical Investor can sell or otherwise realise any hedge positions in respect of an Affected Fund Index Component during the period of five Fund Business Days following such Settlement Price Date;
- (b) require the Calculation Agent to use reasonable efforts to substitute the Fund Index that includes the Affected Fund Index Component (the "**Affected Fund Index**") with an alternative fund index which, in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable

manner) measures the same (or a substantially similar) market or economic reality as the Affected Fund Index, including, but not limited to, the method of calculation; or

- (c) on giving notice to Holders in accordance with Condition 17 (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event), redeem all but not some only of the outstanding Securities by payment of the Termination Amount on the date determined as set out in the definition of Termination Amount, payment being made in such manner as shall be notified to the Holders in accordance with Condition 17.

4.4 General

In determining to take a particular action as a result of an Extraordinary Fund Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary Fund Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of loss 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, 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.

6. **Fund Index Adjustment Event**

If (a) on or prior to any Settlement Price Date, the relevant Fund Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Fund Index or in any other way materially modifies that Fund Index (other than a modification prescribed in that formula or method to maintain the Fund Index in the event of changes in the Fund Index Components and other routine events) (a "**Fund Index Modification**"), or permanently cancels a relevant Fund Index and no successor Fund Index exists (a "**Fund Index Cancellation**"), or (b) on any Settlement Price Date, the Fund Index Sponsor or (if applicable) the successor Fund Index Sponsor fails to calculate and announce a relevant Fund Index (a "**Fund Index Disruption**" and, together with a Fund Index Modification and a Fund Index Cancellation, each a "**Fund Index Adjustment Event**"), then:

- (i) the Calculation Agent shall determine if such Fund Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant value, level or price using, in lieu of a published level for that Fund Index, the level for that Fund Index as at the Valuation Time on such Settlement Price Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Fund Index last in effect prior to the change, failure or cancellation, but using only those Fund Index Components that comprised that Fund Index immediately prior to that Fund Index Adjustment Event; or
- (ii) the Calculation Agent may use commercially reasonable efforts to select a successor fund index which in its opinion, acting in good faith and in a commercially reasonable manner measures the same (or a substantially similar) market or economic reality as the original Fund Index and, upon selection of such fund index, the Calculation Agent shall promptly notify the Holders in accordance with Condition 17 and such fund index will be deemed to be the "Fund Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as it (acting in good faith and in a commercially reasonable manner) determines appropriate; or
- (iii) the Calculation Agent may determine acting in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Fund Index Adjustment Event and determine the effective date of those adjustments; or
- (iv) (A) unless Highest Value, Market Value, Monetisation Option or Delayed Redemption on Fund Index Adjustment Event are 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 Fund Index Adjustment Event, less, except in the case of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment will be made in such manner as shall be notified to the Holders in accordance with Condition 17; or
(B) if Delayed Redemption on Fund 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 Fund Index Adjustment Event less, except in the case

of Italian Listed Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Fund Index Adjustment Amount**") as soon as practicable following the occurrence of the Fund Index Adjustment Event (the "**Calculated Fund 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 Fund Index Adjustment Amount plus interest accrued from and including the Calculated Fund 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; or

- (C) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
 - (D) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
 - (E) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
 - (F) if the Calculation Agent determines that such Fund Index Adjustment Event constitutes a force majeure, and if Fund Security Condition 6(iv)(F) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
- (v) in the case of a Fund Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Fund Index, using in lieu of the published level for the Fund Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Fund Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Fund Index last in effect prior to the Fund Index Modification but using only those Fund Index Components that comprised the Fund Index prior to the Fund Index Modification.

ANNEX 10

ADDITIONAL TERMS AND CONDITIONS FOR FUTURES SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to 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, Highest Value, Market Value or Monetisation Option are 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, payment being 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; or
- (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(i); or
- (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(ii); or
- (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 5.5(b)(iii); or
- (vi) if the Calculation Agent determines that such Futures Adjustment Event constitutes a force majeure, and if Futures Security Condition 3.1(b)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 17 redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Notes at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

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, provided that, if the Floating Rate Option specified in the applicable Final Terms is a LIBOR or EURIBOR rate, in the event that EURIBOR or LIBOR has been discontinued, such other successor benchmark rate as the financial industry shall have accepted as a successor or substitute rate for EURIBOR or LIBOR for the relevant currency, as applicable;
- (b) the Designated Maturity is a period specified in the applicable Final Terms; and
- (c) the relevant Reset Date is as specified in the applicable Final Terms.

For the purposes of these Underlying Interest Rate Security Conditions, "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

3. **Screen Rate Determination**

- (a) 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:

- (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 Underlying Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) (the "**Screen Page Underlying Reference Rate**") on the Underlying Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Underlying Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

- (b) In the event that the Relevant Screen Page is not available or if, in the case of (a)(i) above, no such offered quotation appears on the Relevant Screen Page (or such replacement page on that service which displays the information) or, in the case of (a)(ii) above, fewer than three such offered quotations appear on the Relevant Screen Page (or such replacement page on that service which displays the information), in each case as at the Specified Time indicated above or in the applicable Final Terms, except as provided in paragraph (c) below, 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 in a commercially reasonable manner.
- (c) If the Calculation Agent determines at any time prior to any Underlying Interest Determination Date, that the Screen Page Underlying Reference Rate has been discontinued, the Calculation Agent will use, as a substitute for the Screen Page Underlying Reference Rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the currency of the relevant rate that is consistent with industry accepted standards, provided that if the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable Underlying Interest Determination Date) appoint an agent (the "**Underlying Reference Rate Determination Agent**"), which will determine whether a substitute or successor rate, which is substantially comparable to the Screen Page Underlying Reference Rate, is available for the purpose of determining the Underlying Reference Rate on each Underlying Interest Determination Date falling on or after the date of such determination. If the Underlying Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Underlying Reference Rate Determination Agent will notify the Issuer of such successor rate to be used by the Calculation Agent to determine the Underlying Interest Rate.

If the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable has determined a substitute or successor rate in accordance with the foregoing paragraph (such rate, the "**Replacement Underlying Reference Rate**"), for the purpose of determining the Underlying Reference Rate on each Underlying Interest Determination Date falling on or after such determination:

- (i) the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the Underlying Interest Determination Date and any method for obtaining the Replacement Underlying Reference Rate, including any adjustment needed to make such Replacement Underlying Reference Rate comparable to the Screen Page Underlying

Reference Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement Underlying Reference Rate;

- (ii) references to the Underlying Reference Rate in these Underlying Interest Rate Security Conditions will be deemed to be references to the relevant Replacement Underlying Reference Rate, including any alternative method for determining such rate as described in (i) above;
- (iii) the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement Underlying Reference Rate, and the details described in (i) above as soon as reasonably practicable; and
- (iv) the Issuer will give notice to the Noteholders in accordance with Condition 17 and the Calculation Agent of the Replacement Underlying Reference Rate and the details described in (i) above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable Underlying Interest Determination Date.

The determination of the Replacement Underlying Reference Rate and the other matters referred to above by the Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent and the Noteholders, unless the Issuer, the Calculation Agent or the Underlying Reference Rate Determination Agent determines at a later date that the Replacement Underlying Reference Rate is no longer substantially comparable to the Underlying Reference Rate or does not constitute an industry accepted successor rate, in which case the Calculation Agent shall appoint or re-appoint a Underlying Reference Rate Determination Agent, as the case may be (which may or may not be the same entity as the original Underlying Reference Rate Determination Agent or the Calculation Agent) for the purpose of confirming the Replacement Underlying Reference Rate or determining a substitute Replacement Underlying Reference Rate in an identical manner as described in this paragraph (c). If the replacement Underlying Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a substitute Replacement Underlying Reference Rate, then the Replacement Underlying Reference Rate will remain unchanged.

The Underlying Reference Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the currency of the relevant rate as appointed by the Calculation Agent, (y) the Issuer or the Guarantor or (z) an affiliate of the Issuer, the Guarantor or the Calculation Agent.

4. Determination of Underlying Interest Rate

The Calculation Agent will, on or as soon as practicable after each date on which the Underlying Interest Rate is to be determined, which if the Securities are Hybrid Securities and Hybrid Business Day is specified as applicable in the applicable Final Terms, will be deemed to be a Scheduled Trading Day for the purposes of determining whether such day is a Hybrid Business Day (the "**Underlying Interest Determination Date**"), determine the Underlying Reference Rate (subject to any Minimum Underlying Reference Rate or Maximum Underlying Reference Rate specified in the applicable Final Terms). The Calculation Agent will notify the Principal Paying Agent of the Underlying Reference Rate as soon as practicable after calculating the same.

5. Minimum and/or Maximum Underlying Reference Rate

If the applicable Final Terms specifies a Minimum Underlying Reference Rate, then, in the event that the Underlying Reference Rate determined in accordance with the provisions of Underlying Interest Rate Security Conditions 2 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, Tranching Credit Securities, Bonus Coupon Credit Securities, Zero Recovery 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 Noteholders 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 at Credit Security Maturity 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.

This Credit Security Condition 2(b) shall not apply, and the Issuer shall have no obligations hereunder in respect of Zero Recovery Securities.

(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 and in the case that:

(i) "Reference Entity/Holder Merger" is specified as applicable, in the event that in the determination of the Calculation Agent a Reference Entity/Holder Merger has occurred, the Issuer may give notice to the Noteholders 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 Noteholder in respect of each Credit Security, which amount shall be:

(A) the greater of: (i) the PA (where applicable); and: (ii) the fair market value of such Credit Security taking into account the relevant Merger Event; and

I. where "Hedging Link Provisions" are specified as applicable, less the cost to the Issuer and/or its Affiliates of unwinding any related hedging arrangements (including without limitation any Credit Unwind Costs), all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; or

II. where "Hedging Link Provisions" is not applicable, plus a pro rata reimbursement of all costs paid by the initial purchasers of the Credit Securities to the Issuer which were taken into account in determining the issue price of the Credit Securities;

(B) if "Monetisation Option" is specified as applicable in the applicable Final Terms, the amount in respect of each Credit Security held by such Noteholder and calculated and paid in accordance with Condition 5.5(b)(iii).

(ii) "Reference Entity/Issuer Merger" is specified as applicable, in the event that in the determination of the Calculation Agent a Reference Entity/Issuer Merger has occurred, the Issuer may either:

(A) redeem the Notes in accordance with (i) above; or

(B) replace the relevant affected Reference Entity/ies (the "**Affected Reference Entity/ies**") respectively, with Similar Reference Entity/ies. In such event, where "Hedging Link Provisions" is applicable, the costs of the Issuer arising in connection with any re-hedging of such substitution may be recovered through an adjustment to the interest payable on the Notes and/or any redemption amounts payable under the Notes. The Calculation Agent shall notify the Issuer, which shall in its turn notify the Noteholders pursuant to the provisions of Condition 17 (*Notices*) of the decision taken by the Issuer and any adjustments

made to the terms of the Notes. Details of any adjustment or decision made in relation to the above may be obtained by the Noteholders upon request at the Calculation Agent's specified address.

- (iii) Notwithstanding the foregoing, where "Hedging Link Provisions" are specified as not applicable and the Calculation Agent determines that the relevant Merger Event constitutes a force majeure, the Issuer shall pay to each Noteholder in respect of each Credit Security, the fair market value of such Credit Security, taking into account the relevant Merger Event, provided that no account will be taken of costs (other than costs in connection with the early redemption of the Credit Securities), as determined by the Calculation Agent acting 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 Noteholders in accordance with Condition 17. If the Credit Securities are so redeemed, the Issuer will pay an amount to each Noteholder in respect of each Credit Security equal to:

- (i) the greater of: (a) the PA (where applicable); and (b) the fair market value of such Credit Security taking into account the Additional Credit Linked Note Disruption Event, less (where "Hedging Link Provisions" are applicable) the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements;
- (ii) if "Monetisation Option" is specified as applicable in the applicable Final Terms, the amount in respect of each Credit Security held by such Noteholder and calculated and paid in accordance with Condition 5.5(b)(iii); or
- (iii) where "Hedging Link Provisions" are specified as not applicable and the Calculation Agent determines that the Additional Credit Linked Note Disruption Event constitutes a force majeure, the fair market value of such Credit Security, taking into account the relevant Additional Credit Linked Note Disruption Event, provided that no account will be taken of costs (other than costs in connection with the early redemption of the Credit Securities),

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 Noteholders) 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.

(h) Basket Credit Securities where the Final Terms specify a Distribution End Date

If a Distribution Period Event Determination Date occurs with respect to any Reference Entity and any Basket Credit Securities, Credit Security Conditions 2(b) (Redemption following Event Determination Date), 2(c) (Settlement at Maturity) and 7 (Physical Settlement) shall not apply and the following provisions shall apply (and for clarification, in respect of such Credit Securities, in the event of any inconsistency between the following and the remainder of the Credit Security Conditions, the following shall prevail):

(i) where the Final Terms specify that "Distribution Period Redemption" applies:

- (A) irrespective of the applicable Settlement Method, the Issuer will redeem each outstanding Credit Security in part, on the fifth Business Day following the Distribution End Date in an Outstanding Principal Amount corresponding to such Credit Security's pro rata share of the relevant Reference Entity Notional Amount by making a payment in respect of each Credit Security equal to its pro rata share of the related Reference Entity Notional Amount. For this purpose, in the case of an M(M)R Restructuring, Credit Security Condition 11(a) (Multiple Credit Event Notices) shall not apply; and
- (B) for the avoidance of doubt, no further Event Determination Date may occur in respect of such Reference Entity; or

(ii) where the Final Terms specify that "Redemption at Maturity" applies:

- (A) with effect from such Distribution Period Event Determination Date, such Reference Entity shall no longer be treated as a Reference Entity for the purpose of these Credit Security Conditions and no further Event Determination Date may occur with respect thereto,

including where the Event Determination Date relates to a Restructuring Credit Event in respect of which an Exercise Amount has been determined; and

(B) no adjustment shall be made to the Reference Entity Notional Amount in respect of any other Reference Entity as a result of the above (notwithstanding the definition thereof); or

(iii) where the Final Terms specify that "Distribution Period Event Determination Date Disapplication" applies, notwithstanding anything to the contrary in these Credit Security Conditions, any Distribution Period Event Determination Date which occurs with respect to a Reference Entity shall not be treated as an Event Determination Date for the purpose of these Credit Security Conditions and only Event Determination Dates which occur on or after the Distribution End Date shall be treated as Event Determination Dates for the purpose of these Credit Security Conditions.

(i) Credit Linked Interest Only

If Credit Linked Interest Only is specified as applicable in the applicable Final Terms, Credit Security Condition 3 will apply to the Notes, but Credit Security Conditions 2(a), 2(b) and 2(c) will not apply. Unless the Credit Securities have previously been redeemed or purchased and cancelled in full (including pursuant to Credit Security Conditions 2(d) or 2(e)), the Issuer will redeem each Credit Security on the relevant Credit Security Maturity Date by payment of the original nominal amount specified in the applicable Final Terms.

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 daily Outstanding Principal Amount of each Credit Security as the same may be reduced from time to time in accordance with the Credit Security Conditions. Condition 3 (*Interest*) shall be construed accordingly in relation to Credit Securities. Upon the occurrence of an Event Determination Date in respect of any Reference Entity, the Outstanding 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 Tranche Credit Securities, of the corresponding Writedown Amount) with effect from and including:

(i) either:

(A) if "Accrual to Interest Payment Date" is specified as applicable in the Final Terms, the Interest Payment Date; or

(B) if "Accrual to Interest Period End Date" is specified as applicable in the Final Terms, the Interest Period End Date,

immediately preceding such Event Determination Date (or, in the case of the first Interest Payment Date or Interest Period End Date, the Interest Commencement Date); or

(ii) if "Accrual to Event Determination Date" is specified as applicable 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.

(d) Hybrid Interest Securities

- (i) If Hybrid Interest (Simple) is specified as applicable in the applicable Final Terms, Credit Security Condition 3(a) and 3(b) will not apply. Interest will be calculated in accordance with the provisions of Condition 3.3 (Interest – Interest on Linked Interest Notes) on the basis of the terms and the aggregate outstanding nominal amount (or, in the case of Linked Interest Notes in definitive form, the Calculation Amount), specified in the applicable Final Terms.
- (ii) If Hybrid Interest (Credit) is specified as applicable in the applicable Final Terms, Credit Security Condition 3(a) will apply, provided that, the Rate of Interest will be calculated in accordance with the provisions of Condition 3.3 (Interest – Interest on Linked Interest Notes) on the basis of the terms set out in the applicable Final Terms.
- (iii) If Hybrid Interest (Multiple) is specified as applicable in the applicable Final Terms, interest shall be payable in respect of the Credit Securities:
 - (A) in accordance with and subject to these Credit Security Conditions (including where applicable, (i) or (ii) above) as specified in the Final Terms; and
 - (B) by reference to an alternative Underlying Reference (other than the relevant Reference Entity or Entities), and such additional payments of interest may or may not be subject to the terms of these Credit Security Conditions, as set out in the applicable Final Terms.

(e) Bonus Coupon Securities

If the Credit Securities are Bonus Coupon Credit Securities, an additional amount shall be payable on either:

- (i) where "Final Payment" is specified as the applicable Bonus Coupon Type in the relevant Final Terms, the Final Settlement Date; or
- (ii) where "Running Basis" is specified as the applicable Bonus Coupon Type in the relevant Final Terms, the specified Bonus Coupon Payment Dates,

in relation to the Credit Securities in an amount equal, in respect of each Credit Security, to the initial Nominal Amount thereof multiplied by the Outstanding Bonus Coupon Rate, and where the Running Basis is applicable, multiplied by the Bonus Coupon Day Count Fraction.

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 (as specified in the Final Terms). Unless "Multiple Default Trigger" is specified as applicable in the Final Terms, with effect from such date, no Event Determination Date shall occur in respect of any other relevant Reference Entity. Where "Multiple Default Trigger" is specified as applicable, the provisions of Credit Security 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 (as specified in the Final Terms).

5. Tranched Credit Securities

The following provisions shall apply in respect of Credit Securities that are Tranched Credit Securities. For clarification, in respect of such Credit Securities, in the event of any inconsistency between the following and the remainder of the Credit Security Conditions, the following shall prevail.

- (i) Unless the Credit Securities have been previously 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 if specified as applicable in the Final Terms its pro rata share of the Aggregate Incurred Recovery Amount, provided that (unless Credit Security Condition 2(b) is specified not to be applicable in the Final Terms or the Final Price is specified in the Final Terms) if an Unsettled Credit Event has occurred, (A) a 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: (i) the maximum Incurred Loss Amounts, and (ii) the maximum Incurred Recovery Amounts (if specified as applicable in the Final Terms) which could be determined (assuming an Auction Final Price, Weighted Average Final Price or Final Price of zero) (a "**Deemed 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 and Hybrid Credit Securities

(a) Combination Credit Securities

Where the Credit Securities 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 Credit Securities 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 Credit Securities, as though the Credit Securities were of the type specified in the Final Terms under the heading "Credit-linked Principal Type" and as further specified in the Final Terms under the heading "Terms relating to Credit Linked Principal".

Where the Credit Securities are subject to 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 Credit Securities shall be deemed to remain outstanding in an amount equal to one unit of the Specified Currency. No payment shall be made in respect of such outstanding amount, and each Credit Securities which is deemed to be outstanding on such basis shall be cancelled in full on the last date for payment of interest thereon.

(b) Hybrid Credit Securities

Where the Credit Securities are Hybrid Securities, then:

- (i) unless the Final Terms provide that "Credit Underlying Override" is applicable, then any obligations of the Issuer in respect of the Credit Securities (or, as applicable, the relevant portions of the Notional Amounts thereof) following the occurrence of an Event Determination Date shall be as defined pursuant to these Credit Security Conditions and related provisions of the Final Terms;
- (ii) if the Final Terms specify that "Non-Credit Underlying Override" is applicable, then the obligations of the Issuer following the occurrence of an Event Determination Date shall continue to subject to any provision for early redemption of the Credit Securities arising in connection with the relevant Underlying Reference;
- (iii) if the Final Terms specify that "Adjusted Redemption Calculation Basis" is applicable, then any reference to the "Calculation Amount" for the purpose of determining any amount payable on early redemption of the Securities shall be to the Outstanding Principal Amount; and
- (iv) if no Event Determination Date occurs, references in Credit Security Condition 2(a) to redemption by payment of the Outstanding Principal Amount of the Credit Securities shall be reference to redemption by payment of the final payment determined in connection with the relevant Underlying Reference.

7. Physical Settlement

(a) Delivery and payment

If Physical Settlement applies to any Credit Security, then, upon the occurrence of an Event Determination Date, the Issuer shall, on or prior to the related Physical Settlement Date and subject to Credit Security 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 Noteholder, it is impossible or illegal for the relevant Noteholder or, where "Hedging Link Provisions" is specified as applicable in the Final Terms, 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 Noteholders an amount equal to the Partial Cash Settlement Amount, to be apportioned *pro rata* amongst the relevant Noteholders 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 Noteholders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the Noteholders on the Partial Cash Settlement Date.

(d) Aggregation and Rounding

Where a Noteholder 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 Noteholder 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 Noteholders, 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 Noteholders; and

- (ii) where "Hedging Link Provisions" is applicable, any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Noteholders 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 Noteholders pursuant to (i) and/or (ii) above, as applicable, have been paid to the satisfaction of the Issuer.

(f) Asset Transfer Notice

A Noteholder 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 Noteholder 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.

(g) Disapplication of Physical Settlement

Where "Hedging Link Provisions" are specified as not applicable in the applicable Final Terms, Physical Settlement will not apply.

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 1 January 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, acting in good faith and in a commercially reasonable manner, 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, acting in good faith and in a commercially reasonable manner, 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 Noteholders of such refusal (or deemed refusal) and:

- (i) each such Noteholder may designate a third party (which may or may not be an Affiliate of such Noteholder) to take Delivery of the Deliverable Obligation on its behalf; and
- (ii) if a Noteholder 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 Noteholder. 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 in each case in good faith and in a commercially reasonable manner 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 Noteholders. 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 such election, modification, determination or adjustment shall not create a significant imbalance between the rights and obligations of the Issuer compared to the Noteholders, to the detriment of the Noteholders. 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 where "Hedging Link Provisions" are specified as applicable in the Final Terms, 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 good faith and 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

Where "Hedging Link Provisions" are specified as applicable in the Final Terms, the Calculation Agent, acting reasonably, may (but shall not be obligated to) modify these Credit Security Conditions from time to time with effect from a date designated by the Calculation Agent to the extent reasonably necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of leading dealers in the credit derivatives market or any relevant ISDA committee, a market-wide protocol, any applicable law or regulation or the rules of any applicable exchange or clearing system, applicable to any Notional Credit Derivative Transaction or any Hedge Transaction entered into prior to such date or terms thereof. The Calculation Agent shall notify the Issuer and the Noteholders 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 Noteholders in accordance with Condition 17 (*Notices*) provided that any failure or delay in giving such notice to Noteholders 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) (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 Noteholders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Noteholders 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 (provided that Hedging Disruption and Increased Cost of Hedging shall not apply where Hedging Link Provisions are specified as not applicable).

"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 Tranched Credit Securities and any date, an amount (subject to a minimum of zero) equal to:

- (a) the aggregate of any Incurred Recovery Amounts calculated with respect to all Reference Entities up to and including such date, minus
- (b) the sum of all Aggregate Credit Unwind Costs (for the avoidance of doubt, without double counting).

"**Aggregate Loss Amount**" means, in respect of Tranched Credit Securities and any date, the aggregate of all Loss Amounts calculated with respect to all Reference Entities up to and including such date.

"**Aggregate Recovery Amount**" means, in respect of Tranched Credit Securities and any date, the aggregate of all Recovery Amounts calculated with respect to all Reference Entities up to and including such date.

"**Aggregate 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 Noteholders 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 Noteholders 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.

"Bonus Coupon Day Count Fraction" means the relevant day count fraction specified in the relevant Final Terms, and to be read as though the terms relating to Day Count Fraction apply thereto.

"Bonus Coupon Determination Date" means the date specified in the Final Terms, or if not specified, the relevant Final Price Calculation Date.

"Bonus Coupon Implicit Portfolio Size" means the amount specified as such in the Final Terms.

"Bonus Coupon Payment Date(s)" means the dates specified as such in the Final Terms.

"Bonus Coupon Writedown Rate" means, in respect of an Event Determination Date relating to a Reference Entity, the Incurred Loss Amount (if any) divided by the initial Notional Amount (the Incurred Loss Amount for such purpose only, to be determined as though the Attachment Point, Exhaustion Point and Implicit Portfolio Size were respectively references to the Bonus Coupon Attachment Point, Bonus Coupon Exhaustion Point and Bonus Coupon Implicit Portfolio Size and further assuming that for such purpose, references to the definitions of Incurred Loss Amount and, if Incurred Recoveries are specified as applicable in the Final Terms, to Outstanding Notional Amount is to be the initial Notional Amount multiplied by the Outstanding Bonus Coupon Rate).

"Borrowed Money" means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

"Capped Reference Entity" means, unless otherwise specified in the Final Terms, a Reference Entity having a specified Transaction Type in respect of which "60 Business Day Cap on Settlement" is expressed as applying in the Physical Settlement Matrix.

"Cash Settlement Date" means the date that is the number of Business Days specified in the Final Terms (or, if a number of Business Days is not specified, three Business Days) immediately following the determination of the Weighted Average Final Price (or, if Credit Security Condition 2(b) 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 (where "Hedging Link Provisions" are specified as applicable) it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Credit Securities; or
- (b) where "Hedging Link Provisions" are specified as applicable, 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 (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 Credit Observation Period End Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full Reference Entity Notional Amount.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred, provided that where an Event Determination Date has occurred pursuant to sub-paragraph (b) of the definition thereof, a reference to the relevant DC Credit Event Announcement shall suffice. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"Credit Event Resolution Request Date" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"Credit Observation Period End Date" means the date, if any, specified as such in the Final Terms or, if no such date is specified, the Scheduled Maturity Date.

"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 Noteholder 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:

- (a) where applicable, the redemption, settlement, cancellation and/or termination of the Credit Securities (and/or the reduction in the Outstanding Principal Amount thereof); and
- (b) the related termination, settlement or re-establishment of any Hedge Transaction, where "Hedging Link Provisions" are specified as applicable in the Final Terms,

such amount to be either apportioned *pro rata* amongst the outstanding (and in the case of Partly Paid Notes, paid-up) principal amount outstanding of each Credit Security or as an alternative, in respect of any substitution pursuant to a Reference Entity/Issuer Merger Event only, to be deducted *pro rata* from the interest accrued on each Credit Security. Where "Hedging Link Provisions" are specified as not applicable in the Final Terms, and notwithstanding the foregoing, Credit Unwind Costs shall be equal to zero.

"**Currency Amount**" means with respect to:

- (a) a Deliverable Obligation specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, or a selected Valuation Obligation that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to that portion of the relevant Reference Entity Notional Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

"**Currency Rate**" means with respect to:

- (a) a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, or a selected Valuation Obligation, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either:
 - (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
 - (ii) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

"**Currency Rate Source**" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

"DC Announcement Coverage Cut-off Date" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable.

"DC Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that if the Credit Event occurred after the Credit Observation Period End Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

"DC Credit Event Meeting Announcement" means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"DC Credit Event Question" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

"DC Credit Event Question Dismissal" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"DC No Credit Event Announcement" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event.

"DC Resolution" has the meaning given to that term in the Rules.

"DC Resolution Reversal Cut-off Date" means the earliest to occur of the Auction Final Price Determination Date, a Valuation Date, a Physical Settlement Date, a Delivery Date, the Credit Security 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 Noteholders, 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 Noteholders, 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 Noteholder 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 Noteholder 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 Noteholder shall be permitted to request that any party take nor shall the Issuer or any Noteholder 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 Noteholders 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 Noteholder that provides each Noteholder 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 Noteholder and either:

- (a) the Issuer or the Guarantor (as applicable) (in either case, to the extent that the Issuer or the Guarantor (as applicable), is then a lender or member of the relevant lending syndicate), or
- (b) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate).

"Distribution End Date" means the date specified as such in the Final Terms.

"Distribution Period Event Determination Date" means, in respect of Basket Credit Securities and any Reference Entity, the occurrence of an Event Determination Date with respect to such Reference Entity prior to the Distribution End Date.

"Domestic Currency" means the currency specified as such in relation to a Reference Entity and any successor currency thereto. If no currency is so specified, the Domestic Currency shall be the lawful currency and any successor currency of:

- (a) the relevant Reference Entity, if the Reference Entity is a Sovereign; or
- (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign.

"Domestic Law" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organized, if such Reference Entity is not a Sovereign.

"Downstream Affiliate" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity.

"Due and Payable Amount" means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the Relevant Valuation Date, as applicable.

"Eligible Information" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

"Eligible Transferee" means each of the following:

- (a) any:
 - (i) bank or other financial institution;
 - (ii) insurance or reinsurance company;

- (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (c)(i) below); and
- (iv) registered or licensed broker or dealer (other than a natural person or proprietorship),
provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (b) an Affiliate of an entity specified in (a) above;
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralized debt obligations, commercial paper conduit or other special purpose vehicle) that (I) has total assets of at least USD 100,000,000 or (II) is one of a group of investment vehicles under common control or management having, in aggregate, total assets of at least USD 100,000,000;
 - (ii) that has total assets of at least USD 500,000,000; or
 - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in paragraphs (a), (b), (c)(ii) or (d) hereof; and
- (d) any:
 - (i) Sovereign; or
 - (ii) entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development,

All references in this definition to U.S.\$ or USD include equivalent amounts in other currencies, as determined by the Calculation Agent.

"Event Determination Date" means, in respect of any Credit Event:

- (a) subject to sub-paragraph (b) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) save in respect of an M(M)R Restructuring Credit Event and notwithstanding sub-paragraph (a) above, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), either:
 - (i) the Credit Event Resolution Request Date, if either:
 - (A) (I) the Credit Event is not an M(M)R Restructuring; and
 - (I) the Trade Date occurs on or prior to a DC Announcement Coverage Cutoff Date; or
 - (B) (I) the Credit Event is an M(M)R Restructuring; and

- (I) a Credit Event Notice is delivered by the Calculation Agent to the Issuer on or prior to the Exercise Cut-off Date; or
- (ii) the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is 15 Business Days thereafter,

provided that:

- (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 Noteholders 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 60th Credit Security Business Day following the Physical Settlement Date, provided that if, under the terms of a Hedge Transaction, the Original Bonds or Original Loans (or Assets which form part of the Asset Package intended to be Delivered in lieu of a Prior Deliverable Obligation or Package Observable Bond (the "**Original Assets**"), or any other Deliverable Obligations in lieu thereof), may not be received by the Issuer and/or any of its Affiliates on or before the Extended Physical Settlement Date but the Issuer and/or any of its Affiliates may, in accordance with the terms of the Hedge Transaction, receive or otherwise obtain such Original Bonds or such Original Loans or other Bonds or Loans in lieu thereof or Original Assets or any other Deliverable Obligations in lieu thereof on or before the date falling three Credit Security Business Days (in a case where Original Bonds may be received or otherwise obtained after the Extended Physical Settlement Date) or ten Credit Security Business Days (in a case where Original Loans or other Loans or Bonds in lieu thereof or Original Assets or any other Deliverable Obligations in lieu thereof may be received or otherwise obtained after the Extended Physical

Settlement Date) after the Extended Physical Settlement Date, such date may be further extended to a date falling up to three Credit Security Business Days or ten Credit Security Business Days, respectively, after the original Extended Physical Settlement Date, or to such earlier date as the Calculation Agent may determine, acting in good faith and in a commercially reasonable manner; and

- (b) in the case of a Non-Capped Reference Entity, such date as the Calculation Agent may select, provided that such date falls no later than the 120th Credit Security Business Day following the Physical Settlement Date or, in the absence of such selection, such 120th Credit Security Business Day.

"Extension Date" means the latest of:

- (a) the Credit Observation Period End Date;
- (b) the Grace Period Extension Date if:
 - (i) "Failure to Pay" and "Grace Period Extension" are specified as applicable in relation to any Reference Entity;
 - (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Credit Observation Period End Date; and
 - (iii) an Extension Notice is delivered under sub-paragraph (b) of the definition thereof;
- (c) the Repudiation/Moratorium Evaluation Date (if any) if:
 - (i) Repudiation/Moratorium is specified as applicable in relation to any Reference Entity; and
 - (ii) an Extension Notice is delivered under sub-paragraph (c) of the definition thereof.

"Extension Notice" means a notice from the Calculation Agent to the Issuer giving notice of the following in relation to a Reference Entity:

- (a) without prejudice to sub-paragraphs (b), (c) or (d) below, that a Credit Event has occurred or may occur on or prior to the Credit Observation Period End Date; or
- (b) that a Potential Failure to Pay has occurred or may occur on or prior to the Credit Observation Period End Date; or
- (c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Credit Observation Period End; or
- (d) that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the Notice Delivery Period.

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the

redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

"Fallback Settlement Event" means:

- (a) an Auction Cancellation Date occurs;
- (b) a No Auction Announcement Date occurs (and in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) or (c)(ii) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms on or prior to the Movement Option Cut-off Date);
- (c) a DC Credit Event Question Dismissal occurs; or
- (d) an Event Determination Date has occurred pursuant to sub-paragraph (a) of the definition of "Event Determination Date", and no Credit Event Request Resolution Date has occurred within three Business Days of such Event Determination Date.

"Fallback Settlement Method" means Cash Settlement or Physical Settlement, as specified in the Final Terms.

"Final List" has the meaning given to that term in the Rules.

"Final List Publication Date" means, in respect of a Credit Event, the date on which the last Final List in respect of such Credit Event is published by ISDA.

"Final Price" means:

- (a) the price specified in the Final Terms as being the Final Price with respect to a Reference Entity; or
- (b) the price of the Reference Obligation or, as applicable, any Valuation Obligation, Deliverable Obligation or Undeliverable Obligation expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount (or, as the case may be, the Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event), as applicable, determined in accordance with:
 - (i) the highest Quotation obtained by the Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date (or, in the case of a relevant Asset other than Borrowed Money and other than a Non-Transferable Instrument or Non-Financial Instrument, such other market value of the relevant Asset as may be determined by the Calculation Agent in a commercially reasonable manner); or
 - (ii) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the relevant Asset Market Value.

For the avoidance of doubt, if the Asset Package is or is deemed to be zero, the Final Price shall be zero. If the Final Price is specified in the Final Terms, the Final Price shall be the amount so specified.

"Final Price Calculation Date" means an Auction Final Price Determination Date or, as the case may be, the date on which the Weighted Average Final Price or (as applicable) the Final Price is determined in respect of a particular Credit Event and the relevant Reference Entity, or in the case of Zero Recovery Credit Securities, the relevant Event Determination Date.

"Final Settlement Date" means the 10th Business Day following the latest to occur of the Final Price Calculation Dates in respect of the Reference Entities.

"First Ranking Interest" means an Interest which is expressed as being "first ranking", "first priority", or similar ("**First Ranking**") in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).

"Fixed Cap" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"Full Quotation" means, in accordance with the bid quotations provided by the Credit Security Dealers, each firm quotation (expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable) obtained from a Credit Security Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation, Deliverable Obligation or, as the case may be, Undeliverable Obligations with an Outstanding Principal Balance or Due and Payable Amount, as applicable, equal to the Quotation Amount.

"Fully Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date or, as applicable, the Relevant Valuation Date. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Fully Transferable Obligation".

"Further Subordinated Obligation" means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

"Governmental Authority" means (i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof); (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body; (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

"Governmental Intervention" means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:
 - (i) any event which would affect creditors' rights so as to cause:
 - (A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

- (B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - (C) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
 - (D) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
 - (iii) a mandatory cancellation, conversion or exchange; or
 - (iv) any event which has an analogous effect to any of the events specified in (a)(i) to (a)(iii) above.
- (b) For purposes of (a) above, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"Grace Period" means:

- (a) subject to sub-paragraphs (b) and (c), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (b) if "Grace Period Extension" is applicable in relation to the relevant Reference Entity, a Potential Failure to Pay has occurred on or prior to the Credit Observation Period End Date and the applicable grace period cannot, by its terms, expire on or prior to the Credit Observation Period End Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the Final Terms or, if no period is specified, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applicable in relation to the relevant Reference Entity, such deemed Grace Period shall expire no later than the Credit Observation Period End Date.

"Grace Period Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

"Grace Period Extension Date" means, if:

- (a) "Grace Period Extension" is specified as applicable in relation to a Reference Entity; and
- (b) a Potential Failure to Pay occurs on or prior to the Credit Observation Period End Date,

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If "Grace Period Extension" is not specified as applicable in relation to a Reference Entity, Grace Period Extension shall not apply.

"**Guarantee**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Hedge Disruption Event**" means the Issuer and/or any of its Affiliates has not received the relevant Deliverable Obligations and/or cash under the terms of a Hedge Transaction.

"**Hedge Transaction**" means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Credit Securities.

"**Hedging Disruption**" means that the Issuer, the Guarantor, if applicable, and/or any of their respective Affiliates is unable, after using commercially reasonable efforts, or is no longer permitted 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 unless the Credit Securities are Zero Recovery Credit Securities, either (i) the Auction Final Price or (ii) if Cash Settlement applies, the Weighted Average Final Price (or, if so specified in the Final Terms, the Final Price or such other price specified therein) for that Reference Entity as of such Final Price Calculation Date; multiplied by
- (b) the Reference Entity Notional Amount for that Reference Entity, as at the relevant Event Determination Date,

subject to a minimum of zero.

"Loss Threshold Amount" means, in respect of Tranche Credit Securities, an amount equal to the Implicit Portfolio Size multiplied by the Attachment Point.

"LPN" means any bond issued in the form of a loan participation note.

"LPN Issuer" means the entity which issued the relevant LPN.

"LPN Reference Obligation" means each Reference Obligation other than any Additional Obligation which is issued for the sole purpose of providing funds to the LPN Issuer to finance an Underlying Loan. For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation.

"M" means in relation to Nth-to-Default Credit Securities where "Multiple Default Triggers" is applicable, such number as may be specified in the Final Terms.

"Max" means, whenever followed by a series of amounts inside brackets, whichever is the greater of the amounts separated by a comma inside those brackets.

"Maximum Maturity" means an obligation that has a remaining maturity of not greater than:

- (a) the period specified in relation to a Reference Entity; or

(b) if no such period is so specified, 30 years.

"Merger Event" means that at any time during the period from (and including) the Trade Date to (but excluding) the Credit Observation Period End Date, the Issuer:

- (a) becomes aware that a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Noteholder ("**Reference Entity/Holder Merger**"); or
- (b) itself (or, where the Issuer is not BNP Paribas, BNP Paribas) consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to a Reference Entity ("**Reference Entity/Issuer Merger**").

"Merger Event Redemption Date" means the date specified as such in the Final Terms.

"Min" means, whenever followed by a series of amounts inside brackets, whichever is the lesser of the amounts separated by a comma inside those brackets.

"Minimum Quotation Amount" means, unless where specified in the Final Terms, the lower of:

- (a) U.S.\$ 1,000,000 (or its equivalent in the relevant Obligation Currency); and
- (b) the Quotation Amount.

"M(M)R Restructuring" means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in respect of the Reference Entity.

"Modified Eligible Transferee" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

"Modified Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Credit Observation Period End Date.

Subject to the foregoing, if the Scheduled Maturity Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Credit Observation Period End Date.

"Movement Option Cut-off Date" means the date that is one Relevant City Business Day following the Exercise Cut-off Date (or, if later, such other date as the relevant Credit Derivatives Determinations Committee Resolves) or such earlier date as the Issuer may designate by notice to the Calculation Agent and the Noteholders 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 noteholders 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 Noteholders 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 Noteholders 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 Noteholders, 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 Noteholders 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 Noteholders of the detailed description of the Asset Package, if any, that it intends to Deliver to the Noteholders in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

"Notice of Publicly Available Information" means an irrevocable notice from the Calculation Agent (which may be by telephone) to the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event described in the Credit Event Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both sub-paragraphs (a) and (b) of the definition of "Repudiation/Moratorium". The notice must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as applicable in respect of the Reference Entity and a Credit Event Notice contains Publicly Available Information, such Credit Event Notice will also be deemed to be a Notice of Publicly Available Information.

"Notional Credit Derivative Transaction" means, with respect to any Credit Security and a Reference Entity, a hypothetical market standard credit default swap transaction entered into by the Issuer, as Buyer (defined in the Credit Derivatives Definitions), incorporating the terms of the Credit Derivatives Definitions and under the terms of which:

- (a) the "Trade Date" is the Trade Date, if specified in the Final Terms and if not, the Issue Date;

- (b) the "Scheduled Termination Date" is the Credit Observation Period End Date;
- (c) the "Reference Entit(y)(ies)" thereunder is (are) such Reference Entit(y)(ies);
- (d) the applicable "Transaction Type", if any, is the Transaction Type for the purposes of such Credit Security; and
- (e) the remaining terms as to credit linkage are consistent with the terms of such Credit Security as it relates to such Reference Entity.

"**Nth-to-Default Credit Security**" means any Credit Securities specified as such in the Final Terms.

"**Obligation**" means:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the Method for Determining Obligations; and
- (b) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

For purposes of the "**Method for Determining Obligations**", the term "Obligation" may be defined as each obligation of the Reference Entity described by the Obligation Category specified in respect thereof and having each of the Obligation Characteristics, if any, specified in respect thereof, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable.

"**Obligation Acceleration**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

"**Obligation Category**" means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in relation to a Reference Entity.

"**Obligation Characteristic**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in relation to a Reference Entity.

"**Obligation Currency**" means the currency or currencies in which an Obligation is denominated.

"**Obligation Default**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (howsoever described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

"**Original Bonds**" means any Bonds comprising part of the relevant Deliverable Obligations.

"**Original Loans**" means any Loans comprising part of the relevant Deliverable Obligations.

"**Original Non-Standard Reference Obligation**" means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in relation to the Reference Entity

(if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the Reference Entity (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) unless (a) otherwise specified in the Final Terms by reference to this definition, or (b) the Reference Entity is a Reference Obligation Only Trade.

"**Outstanding Amount**" means the Outstanding Principal Balance or Due and Payable Amount, as applicable.

"**Outstanding Bonus Coupon Rate**" means the rate equal to either:

- (a) if "Final Rate" is specified as applicable, the Bonus Coupon Rate (as specified in the applicable Final Terms) less the aggregate of all Bonus Coupon Writedown Rates determined on or prior to the Bonus Coupon Determination Date; or
- (b) if "Averaging Rate" is specified as applicable, the Bonus Coupon Rate (as specified in the applicable Final Terms) less the arithmetic average of the Bonus Coupon Writedown Rates determined for each day during the period commencing as the previous Bonus Coupon Payment Date (or if none, the Issue Date) and concluding on the Bonus Coupon Determination Date,

subject to a minimum of zero.

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 (excluding where Credit Security Condition 2(h)(ii) (*Redemption at Maturity*) applies) (or, in the case of a Tranching 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 and as adjusted by the Calculation Agent to take account of any repurchase or cancellation of Credit Securities, the issuance of any further Credit Securities and any redemption of Credit Securities pursuant to Credit Security Condition 2(h)(i) (*Distribution Period Redemption*).

"PA" means the principal protected amount of the credit securities.

"Package Observable Bond" means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of Deliverable Obligation set out in paragraph (a) or (b) of the definition of "Deliverable Obligation", in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"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 (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 Noteholder to give the Issuer details of accounts for settlement; or a failure of the Noteholder to open or procure the opening of such accounts or if the Noteholders 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 Tranching 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 (or in the case of Zero Recovery Credit Securities, zero); 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 Tranching 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 Tranching 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 Tranching 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 Security Conditions 2, 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 Noteholders 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 (where "Hedging Link Provisions" are specified as applicable in the 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.

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 Noteholders 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 Noteholders, 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 Noteholders, the Issuer or any other person for any profit or other benefit to it or any of its affiliates which may result directly or indirectly from any such selection.

"Representative Amount" means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

"Repudiation/Moratorium" means the occurrence of both of the following events:

- (a) an authorised officer of the Reference Entity or a Governmental Authority:
 - (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
 - (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

"Repudiation/Moratorium Evaluation Date" means, if a Potential Repudiation/Moratorium occurs on or prior to the Credit Observation Period End Date:

- (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of:
 - (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and
 - (ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date); and
- (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium.

"Resolve" has the meaning given to that term in the Rules, and **"Resolved"** and **"Resolves"** shall be interpreted accordingly.

"Restructured Bond or Loan" means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"Restructuring" means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of such Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:
 - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
 - (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
 - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
 - (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).
- (b) Notwithstanding the provisions of (a) above, none of the following shall constitute a Restructuring:
 - (i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
 - (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
 - (iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

- (iv) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (a)(v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.
- (c) For the purposes of (a) and (b) above and Credit Security Condition 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 Credit Observation Period End Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a **"Latest Maturity Restructured Bond or Loan"**) and the Credit Observation Period End Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

"Revised Currency Rate" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either:

- (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
- (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

"Rules" means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its 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.

"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.

"**Similar Reference Entity**" means an entity with an equivalent Rating (as defined below) or an equivalent credit risk (if no Rating is available to the relevant Reference Entity), and as secondary criteria geographic and Transaction Type proximity to such Reference Entity.

For the purposes of this definition, "**Rating**" means the senior unsecured debt rating assigned by the three rating agencies Moody's Investor Service, Inc., Standard & Poor's Ratings Services, a division of Standard & Poor's Credit Market Service Europe Limited and Fitch Ratings or any of them, it being understood that if the ratings assigned in respect of an entity are not equivalent, only the highest one(s) will be taken into consideration.

"**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 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 Tranche Credit Securities, the Exhaustion Point minus the Attachment Point.

"Tranche Credit Securities" means Credit Securities where the Issuer purchases credit protection from the Noteholders 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 Noteholder 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, as a result of an event described in Credit Security Condition 7(b).

"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 55th and the 122nd 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 acting in good faith and in a commercially reasonable manner); or
- (b) if "Cash Settlement" is applicable as a Fallback Settlement Method, any Credit Security Business Day falling between the 55th and the 122nd Credit Security Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner); or
- (c) if Partial Cash Settlement applies, the date which is up to fifteen Credit Security Business Days after the Latest Permissible Physical Settlement Date or, as applicable the Extended Physical Settlement Date (as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner).

"Valuation Obligation" means, in respect of a Reference Entity, notwithstanding anything to the contrary in the Credit Security Conditions, one or more obligations of such Reference Entity (either directly or as provider of a Relevant Guarantee) which is capable of being specified in a Notice of Physical Settlement (or in any NOPS Amendment Notice, as applicable) if Physical Settlement were the applicable Settlement Method and/or any Asset in the related Asset Package in respect of a Prior Deliverable Obligation or Package Observable Bond, in each case, as selected by the Issuer acting in good faith and in a commercially reasonable manner on or prior to the applicable Valuation Date, provided that, for such purpose:

- (a) any reference to "Delivery Date" or "NOPS Effective Date" in the definitions of "Conditionally Transferable Obligation", "Deliverable Obligation", within any of the terms comprising "Deliverable Obligation Category" or "Deliverable Obligation Characteristic" and "Due and Payable Amount" shall be deemed to be a reference to the words "Relevant Valuation Date"; and
- (b) in respect of any Asset in the related Asset Package in respect of a Prior Deliverable Obligation or Package Observable Bond, any reference to "Outstanding Principal Balance", "Due and Payable Amount" or "Outstanding Amount" in the definitions of "Final Price", "Full Quotation", "Quotation", "Quotation Amount" and "Weighted Average Quotation" shall be deemed to be a reference to the words "Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event".

For the avoidance of doubt, the use of Deliverable Obligation terms in the definition of "Valuation Obligation" is for convenience only and is not intended to amend the selected settlement method.

"Valuation Obligations Portfolio" means one or more Valuation Obligations of a Reference Entity selected by the Calculation Agent in its discretion, each in an Outstanding Amount (or, as the case may be, an Outstanding Amount of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event) selected by the Calculation Agent acting in good faith and in a

commercially reasonable manner (and references to "Quotation Amount" shall be construed accordingly), provided that the aggregate of such Outstanding Amounts (or in each case the equivalent in the Specified Currency thereof (converted at the foreign exchange rate prevailing on any date from (and including) the Event Determination Date to (and including) the Valuation Date, as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner)), shall not exceed the relevant Reference Entity Notional Amount.

"**Valuation Time**" means the time specified in relation to a Reference Entity or, if no such time is specified, 11:00 a.m. in the principal trading market for the relevant Valuation Obligation or Undeliverable Obligation, as the case may be.

"**Voting Shares**" means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

"**Weighted Average Final Price**" means the weighted average of the Final Prices determined for each selected Valuation Obligation in the Valuation Obligations Portfolio, weighted by the Currency Amount of each such Valuation Obligation (or its equivalent in the Settlement Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time of such determination). If Credit Security Condition 2(b) is specified 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, acting in good faith and in a commercially reasonable manner by reference to exchange rates in effect at the time of such determination), of as large a size as available but less than the Quotation Amount (in the case of Deliverable Obligations only, but of a size at least equal to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

"**Writedown Amount**" means, in respect of an Event Determination Date relating to a Reference Entity, the aggregate of the Incurred Loss Amounts (if any) and, if Incurred Recoveries is specified as applicable in the Final Terms, 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**"). Noteholders should note that the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and that this summary may therefore not be accurate in all cases. The following does not purport to be a complete summary and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the "**Auction Methodology**"). The Auction and the Auction Methodology apply to credit default swaps on the Reference Entity and do not apply specifically to the Credit Securities. A copy of the Form of Auction Settlement Terms may be inspected at the offices of the Issuer and is also currently available at www.isda.org (or any successor website thereto). 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 (or any successor website thereto) as of 9 March 2018 (the "**Rules**") and is subject to the rules as published by ISDA from time to time and as amended from time to time. This summary is not intended to be exhaustive and prospective investors should also read the Rules and reach their own views prior to making any investment decisions. A copy of the Rules published by ISDA is available at: 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, as amended from time to time (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 Noteholders, 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 Noteholders. See "Risk Factors - Rights Associated with Credit Derivatives Determinations Committees" for further information. The terms of the Credit Securities provide that the Noteholders 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 Noteholders.

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 Noteholders. Noteholders (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 Noteholders of such information (other than as expressly provided in the Final Terms). Noteholders 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 Noteholders. 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 Noteholders. 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 Noteholders, 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 Noteholders. 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.

Noteholders 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 Noteholders 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.

Noteholders 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 Noteholders 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 Noteholders 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 Noteholders 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 Noteholders and may ignore any conflict of interest arising due to its responsibilities under the Credit Securities.

Noteholders 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 Noteholders and the Noteholders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Noteholders 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.

Noteholders 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 Noteholders of such information (other than as expressly provided in the Final Terms). Failure by the Noteholders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Final Terms and Noteholders 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 Noteholders 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 Noteholders. 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 Noteholders 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 Noteholders 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.

"**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 (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, Part D of this Annex 13 or Part E 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, Part D of Annex 13 and Part E 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 Note 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 Note 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 Conditions 22.1(iv) and 22.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

3. Status of the Secured Securities, Security and Guarantee

3.1 Status

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 Maturity 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 English Law Notes dated on or around 5 June 2018, or the Guarantee for Unsecured French Law Notes dated on or around 5 June 2018 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, Extraordinary External Event, Failure to Deliver due to Illiquidity, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow, Stop-Loss Event and/or Significant Alteration Event, in each case if specified in the applicable Final Terms;".

- (e) 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 Significant Alteration 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 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 (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."

14. Recognition of Bail-in and Loss Absorption

Conditions 23.1 to 23.8 (inclusive) shall not apply to the Notes.

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 of Annex 13, Part D of Annex 13 and Part E 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 Note 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 Note 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 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 Conditions 22.1(iv) and 22.2 shall be construed accordingly. Any Alternative Security

Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

3. Status of the Secured Securities, Security and Guarantee

3.1 Status

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 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 English Law Notes dated on or around 5 June 2018 or the Guarantee for Unsecured French Law Notes dated on or around 5 June 2018, 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, Extraordinary External Event, Failure to Deliver due to Illiquidity, Hedging Failure, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow, Stop-Loss Event and/or Significant Alteration Event, in each case if specified in the applicable Final Terms;"

- (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 Significant Alteration 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 Note 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 Note 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."

15. Recognition of Bail-in and Loss Absorption

Conditions 23.1 to 23.8 (inclusive) shall not apply to the Notes.

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 of Annex 13, Part D of Annex 13 and Part E 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 Note 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 Note 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 Conditions 22.1(iv) and 22.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

3. Status of the Secured Securities, Security and Guarantee

3.1 Status

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 5 June 2018, 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, Extraordinary External Event, Failure to Deliver due to Illiquidity, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow, Stop-Loss Event and/or Significant Alteration Event, in each case if specified in the applicable Final Terms;"

- (e) Notwithstanding the first sentence of 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 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:

- (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 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.";

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

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

avoidance of doubt, the Aggregate Collateral Proceeds Share applicable to each Security held by the Issuer or an Affiliate shall be equal to zero.

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

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

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

15. Recognition of Bail-in and Loss Absorption

Conditions 23.1 to 23.8 (inclusive) shall not apply to the Notes.

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, Part C of Annex 13 and Part E of Annex 13 shall not apply to the Securities. Where this Part D of Annex 13 applies, certain definitions and provisions of Part A 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 (a) 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 (i) such Annex or (ii) Condition 9 as the case may be and/or (b) where Annex Early Redemption Event – External Event is specified as applicable in the applicable Final Terms, the Issuer elects to redeem the Notes in accordance with Condition 10.1 or 10.2;

"**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);

"Available Specified Reference Collateral Assets" means (a) where the Issuer has not entered into a Collateral Exchange Agreement or a Credit Support Document, the Specified Reference Collateral Assets or (b) where the Issuer has entered into a Collateral Exchange Agreement and/or a Credit Support Document, a nominal amount of Specified Reference Collateral Assets equal to the sum of (i) the nominal amount of any Specified Reference Collateral Assets which have not been transferred to a relevant Related Agreement Counterparty (as at the time the relevant Related Agreement is terminated) and (ii) the nominal amount of Equivalent Securities in respect of the Specified Reference Collateral Assets (if any) which the Issuer receives from a relevant Related Agreement Counterparty upon or in connection with the termination of an applicable Related Agreement in accordance with the terms of such Related 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;

"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;

"Call Event" means the notification by the Swap Counterparty to the Issuer that the Swap Counterparty has elected to exercise its option to terminate the Swap Agreement on the Optional Redemption Date immediately following the relevant Call Exercise Date.

"Call Exercise Date" means the date falling the number of days prior to the Optional Redemption Date specified in the applicable Final Terms provided that if such day is not a Business Day, it shall be the first Business Day prior to such day, or if no Call Exercise Date is specified in the applicable Final Terms, the date falling 15 calendar days prior to an Optional Redemption Date, provided that if such day is not a Business Day, it shall be the first Business Day prior to such fifteenth calendar day.

"**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 Note 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 Note 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 Note 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, the percentage specified as such in the applicable Final Terms or if no such percentage is specified, 100 per cent.;

"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 (including where no sale of Collateral Assets is to take place pursuant to Collateral Security Condition 5.2), 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 Auction Settlement Amount**" means in relation to any Reference Entity (as defined in Annex 12), an amount in the Settlement Currency as determined by the Calculation Agent as follows:

$\text{Max}, (0, (A \times 100\% - B))$

where:

"A" means the Reference Entity Notional Amount (as defined in Annex 12);

"B" means the Auction Final Price (as defined in Annex 12);

"**Credit Cash Settlement Amount**" means in relation to any Reference Entity (as defined in Annex 12), an amount in the Settlement Currency as determined by the Calculation Agent as follows:

$\text{Max}, (0, (A \times 100\% - B))$

where:

"A" means the Reference Entity Notional Amount (as defined in Annex 12);

"B" means the Final Price (as defined in Annex 12);

"**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 Settlement Amount**" means (a) where Auction Settlement is specified as applicable in the applicable Final Terms, the Credit Auction Settlement Amount or (b) where Cash Settlement is specified as applicable in the applicable Final Terms or is the Fallback Settlement Method (as defined in Annex 12) specified in the Final Terms and a Fallback Settlement Event (as defined in Annex 12) occurs, the Credit Cash Settlement Amount;

"**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 5.4 or 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) where Deferral of Payments is specified as applicable in the Final Terms:
 - (i) subject to (iii) below, upon the occurrence of a Payment Deferment Event which is a Potential Failure to Pay, the date after the relevant scheduled Interest Payment Date which is the earlier of:
 - (A) 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
 - (B) the fifth Business Day after the end of any applicable grace period; or
 - (ii) subject to (iii) below, where the Payment Deferment 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
 - (iii) where a Payment Deferment 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; or
- (b) where Suspension of Payments is specified as applicable in the Final Terms, (i) the second Business Day following the final Business Day of the Suspension Period where no Early Redemption Event has occurred during the Suspension Period or, (ii) where the Calculation Agent determines that the circumstances giving rise to such potential Early Redemption Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Early Redemption Event has occurred, the second Business Day following the date on which the Calculation Agent makes such determination;

"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 which is received by the Issuer;

"Early Redemption Amount" means, save as provided in Collateral Security Condition 5.13(b) or (c) (where applicable), 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 received by the Issuer from the Collateral Exchange Counterparty 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, (if any) (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, a *pro rata* share per Security of any Credit Settlement 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, (a) 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, if the relevant Collateral Assets are redeemed prior to the sale of such Collateral Assets or an Asset Redemption Event, RCA Makewhole Event or RCA Call Event is the subject of the relevant Early Redemption Notice and Collateral Sale is not specified as applicable in the applicable Final Terms in respect of the relevant Early Redemption Event, the date falling 10 Business Days following the receipt of the relevant redemption proceeds or, (b) 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 Call Event;
- (j) RCA Interest Deferral or Reduction Event;
- (k) RCA Makewhole Event;
- (l) RCA Principal Deferral or Reduction Event;
- (m) RCA Regulatory Event;
- (n) RCA Repudiation/Moratorium Event;
- (o) RCA Restructuring Event;
- (p) RCA Tax Event;
- (q) RCA Issuer Bankruptcy Event;
- (r) RCA Issuer/Parent Bankruptcy Event;
- (s) RCA Issuer/Parent Payment Default Event;
- (t) RCA Issuer/Parent Restructuring Event;
- (u) RCA Issuer/Parent Governmental Intervention Event;
- (v) RCA Issuer/Parent Obligation Acceleration Event;
- (w) RCA Issuer/Parent Repudiation/Moratorium Event;
- (x) Related Agreement Termination Event,
- (y) Standard Early Redemption Event;
- (z) Obligor Early Redemption Event; and
- (aa) Other Early Redemption Event,

provided that, in respect of a series of Secured Securities, different Early Redemption Events may be expressed to apply to each of the RCA Issuer, RCA Guarantor, RCA Parent, Eligible Collateral Issuer and/or Specified Reference Entity, as specified, 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 assets 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) where Deferral of Payments is specified as applicable in the Final Terms
- (i) the later of:
- (A) thirty Business Days after the Extension Date; and
- (B) 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
- (ii) any such earlier day as determined by the Calculation Agent by giving notice to the Holders; or
- (b) where Suspension of Payments is specified as applicable in the Final Terms, (i) the second Business Day following the final Business Day of the Suspension Period where no Early Redemption Event has occurred during the Suspension Period or, (ii) where the Calculation Agent determines that the circumstances giving rise to the Suspension Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Early Redemption Event has occurred, the second Business Day following the date on which the Calculation Agent makes such determination;

"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 relevant 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 Amount" means, in respect of any Secured Security, a nominal amount equal to the Calculation Amount of such Secured Security;

"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, provided that:

- (a) 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; and
- (b) if "Financial Entity Terms" and "RCA Issuer/Parent Governmental Intervention" are specified as applicable in respect of a RCA Reference Entity, if an obligation would otherwise satisfy a particular

Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the RCA Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a RCA Issuer/Parent Governmental Intervention shall not cause such obligation to fail to satisfy such Obligation Characteristic.

"Obligation Currency" means the currency or currencies in which an Obligation is denominated;

"Obligor Early Redemption Event" means the occurrence of one or more of the following events:

- (a) RCA Issuer/Parent Bankruptcy Event;
- (b) RCA Issuer/Parent Payment Default Event;
- (c) RCA Issuer/Parent Governmental Intervention Event;
- (d) RCA Issuer/Parent Obligation Acceleration Event;
- (e) RCA Issuer/Parent Repudiation/Moratorium Event; and
- (f) RCA Issuer/Parent Restructuring Event;

"Other Currency" has the meaning given to it in Collateral Security Condition 3.13;

"Other Early Redemption Event" means the occurrence of one or more of the following events:

- (a) CDS Credit Event;
- (b) MTM Trigger Redemption Event;
- (c) RCA Call Event; and
- (d) RCA Makewhole Event;

"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) where Deferral of Payments is specified as being applicable:
 - (i) 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"**); or
 - (ii) (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
 - (iii) 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; or

(b) Where Suspension of Payments is specified as being applicable or is deemed to apply in accordance with Collateral Security Condition 5.13, the occurrence of a Suspension Event;

"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 Call Event" means a RCA Issuer elects to exercise any option it has under the terms of the relevant Specified Reference Collateral Assets to redeem such Specified Reference Collateral Assets in accordance with their terms (including, without limitation, where a RCA Maturity Call Option Event occurs) other than where RCA Makewhole Event is an applicable Early Redemption Event and a RCA Makewhole Event occurs, provided that such event shall be deemed to occur as of the later of (a) the relevant event being notified to the holders of the relevant Specified Reference Collateral Assets by, or on behalf, of the relevant RCA Issuer and (b) the earlier of the Issuer or the Calculation Agent becoming aware of the occurrence of such event;

"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 an Additional Credit Linked Note Disruption Event (in the case of Credit Securities), or (iii) for the Issuer to hold, acquire or dispose of any Reference Collateral Assets;

"RCA Early Call Event" means where RCA Makewhole Event is specified as applicable in the applicable Final Terms and a RCA Makewhole Event occurs, the occurrence of such RCA Makewhole Event or, where RCA Call Event is specified as applicable in the applicable Final Terms and a RCA Call Event occurs, the occurrence of such RCA Call Event;

"RCA Guarantor" means each guarantor of the relevant RCA Issuer's obligations in respect of any Specified Reference Collateral Assets;

"RCA Interest Deferral or Reduction Event" means any deferral, postponement, capitalisation or reduction (in part or in full) of one or more interest payments under the relevant Specified Reference Collateral Assets and/or reduction of the applicable RCA Interest Rate set out in the terms of the relevant Specified Reference Collateral Assets as of the Trade Date (after taking account of any applicable grace period under the terms of the relevant Specified Reference Collateral Assets and adjustments for non-business days) (an **"Interest Deferral Event"**), regardless of whether or not such Interest Deferral Event is permitted by the terms of such Specified Reference Collateral Assets and whether or not such Interest Deferral Event leads to an event of default under the terms of the Specified Reference Collateral Assets and no regard shall be had as to whether any such interest payment is (a) deferred or postponed for potential later payment or (b) is reduced (in part or in full) with no possibility for later payment;

"RCA Interest Rate" means the interest rate applicable to the Specified Reference Collateral Assets as specified in the applicable Final Terms;

"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 (g) (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) above.
- (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;
- (c) The following provisions shall apply in respect of a RCA 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 RCA Issuer/Parent Governmental Intervention falling within paragraph (a) of the definition above.
 - (ii) A CoCo Provision shall be deemed to be a provision which permits a RCA Issuer/Parent 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 (A) a permanent or temporary reduction of the amount of principal payable at redemption or (B) 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.

"**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 RCA 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 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;

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 RCA 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 (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(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 (b) 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 (b) 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 (a)(v) 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 Makewhole Event" means a RCA Issuer elects in accordance with the terms of the relevant Specified Reference Collateral Assets to redeem the Specified Reference Collateral Assets in whole or in part prior to their scheduled maturity date for an amount equal to the principal amount of such Specified Reference Collateral Assets together with a makewhole amount (howsoever described including where the amount required to be paid on redemption on account of principal is greater than par) provided that such event shall be deemed to occur as of the later of (a) the relevant event being notified to the holders of the relevant Specified Reference Collateral Assets by, or on behalf, of the relevant RCA Issuer and (b) the earlier of the Issuer or the Calculation Agent becoming aware of the occurrence of such event;

"RCA Maturity Call Option Event" means where the relevant RCA Issuer has the right to redeem the Specified Reference Collateral Assets in whole or in part prior to their scheduled maturity date for an amount equal to the principal amount of such Specified Reference Collateral Assets together with a makewhole amount (howsoever described including where the amount required to be paid on redemption on account of principal is greater than par) and it also has a right to redeem the Specified Reference Collateral Assets at any time from a certain date prior to the scheduled redemption date (the **"RCA Residual Maturity Call Option Date"**) at an amount equal to the nominal amount of the Specified Reference Collateral Assets plus accrued interest (the **"RCA Maturity Call Option"**) and the RCA Issuer exercises the RCA Maturity Call Option;

"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 Principal Deferral or Reduction Event" means any deferral, postponement or reduction (in part or in full) of the scheduled repayment of principal under the relevant Specified Reference Collateral Assets as set out in the terms of the relevant Specified Reference Collateral Assets as of the Trade Date (after taking account of any applicable grace period under the terms of the relevant Specified Reference Collateral Assets and adjustments for non-business days) (a **"Principal Deferral Event"**), regardless of whether or not such Principal Deferral Event is permitted by the terms of such Specified Reference Collateral Assets or whether or not such Principal Deferral Event leads to an event of default under the terms of the Specified Reference Collateral Assets and no regard shall be had as to whether any such payment is (a) deferred or postponed for potential later payment or (b) is reduced (in part or in full) with no possibility for later payment;

"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;

"Received Collateral" means Reference Collateral Assets which have been transferred to the Collateral Exchange Counterparty by the Issuer pursuant to the Collateral Exchange Agreement in respect of which the Collateral Exchange Counterparty has not transferred Equivalent 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 and/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;

"**Standard Early Redemption Event**" means the occurrence of one or more of the following events:

- (a) Annex Early Redemption Event;
- (b) Asset Payment Default Event;
- (c) Asset Default Event;
- (d) Asset Redemption Event;
- (e) Asset Payment Shortfall Event;
- (f) RCA Change in Law Event;
- (g) RCA Regulatory Event;
- (h) RCA Repudiation/Moratorium Event;
- (i) RCA Restructuring Event;
- (j) RCA Tax Event;
- (k) RCA Interest Deferral or Reduction Event;
- (l) RCA Principal Deferral or Reduction Event;
- (m) RCA Issuer Bankruptcy Event; and
- (n) Related Agreement Termination Event;

"**Successor**" means in respect of a 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;

"Suspension Event" means the Calculation Agent determines that facts exist which may (assuming the expiration of any applicable grace period) amount to (a) an Asset Payment Default Event (disregarding any terms allowing for non-payment, deferral or adjustments to any scheduled payments and any notice period in respect thereof) in respect of any relevant Specified Reference Collateral Assets or (b) to an Asset Default Event in respect of any relevant Specified Reference Collateral Asset;

"Suspension Period" means the period specified as such in the applicable Final Terms or the period specified in Collateral Security Condition 5.13;

"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(s) 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, and (i) where Extinguisher of All Swap Flows is specified to be applicable, there will be no termination payment due from either party under the relevant Swap Agreement(s) or (ii) where Extinguisher of All Swap Flows is not specified as applicable, any termination payment which would otherwise be due from the Issuer to the Swap Counterparty in respect of the relevant Swap Agreement(s) 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. Where a Transaction Type is specified in the Final Terms in respect of any Reference Entity, then the provisions of these Collateral Security Conditions shall apply with respect to such RCA 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;

"Triparty Services Agent" means the party specified as such in the applicable Final Terms;

"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; and

"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 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, (e) any references to "Financial Reference Entity Terms" shall be deemed to be a reference to "Financial Entity Terms". (f) any references to "Governmental Intervention" shall be deemed to be a reference to "RCA Issuer/Parent Governmental Intervention" and (g) any references to Credit Securities shall be deemed to be references to Nominal Value Repack Securities provided that where a term is specified in these Collateral Security Conditions to be defined as set out in Annex 12, it shall have the meaning specified for such term in Part A of Annex 12 (Additional Terms and Conditions for Credit 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 Conditions 22.1(iv) and 22.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

3. Status of the Secured Securities, Security and Guarantee

3.1 Status

Condition 2.1(a) shall not apply to the Secured Securities. The Secured Securities are unsubordinated and secured limited recourse obligations of the Issuer which rank pari passu among themselves and are secured in the manner described in Collateral Security Condition 3.2 and recourse of which is limited in the manner described in Collateral Security Condition 7.2 and Collateral Security Condition 11.

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 (if any) 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

Save where the applicable Final Terms specify that there are no Reference Collateral Assets in respect of a series of Secured Securities, 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 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 5 June 2018 or the Guarantee for Unsecured French Law Notes dated on or around 5 June 2018, 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

The Issuer may enter into a Collateral Exchange Agreement with the Collateral Exchange Counterparty and:

- (a) where Collateral Exchange Agreement – Two way Transfer 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 some or all of the relevant Specified Reference Collateral Assets from the Collateral Account and transfer such specified Reference Collateral Assets to the Collateral Exchange Counterparty 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 relevant 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 a Collateral Exchange Agreement 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, save where Collateral Physical Settlement is applicable in respect of the relevant Early Redemption Event, 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. Upon the early termination of the Collateral Exchange Agreement where Collateral Physical Settlement is applicable in respect of an Early Redemption Event and no Related Agreement Counterparty Default has occurred, the Collateral Exchange Counterparty will use commercially reasonable efforts to 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. Where the Collateral Exchange Counterparty is unable (after using commercially reasonable efforts) to transfer Equivalent Securities in respect of all or part of the Received Collateral to the Issuer in accordance with the provisions of the Collateral Exchange Agreement, an amount will be payable by the Collateral Exchange Counterparty to the Issuer as described in Collateral Security Condition 5.4 in lieu of such delivery;

- (b) where Collateral Exchange Agreement – One Way Transfer Securities Lending 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 some or all of the relevant Specified Reference Collateral Assets from the Collateral Account and deliver such Specified Reference Collateral Assets to the Collateral Exchange Counterparty provided that for the purposes of the applicable Early Redemption Events, the relevant 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;
- (c) Where Collateral Exchange Agreement – Triparty Transfer 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 withdraw some or all of the relevant Specified Reference Collateral Assets from the Collateral Account and transfer such Specified Reference Collateral Assets to the Collateral Exchange Counterparty 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 (as calculated by the Triparty Services Agent) provided that for the purposes of the applicable Early Redemption Events, the relevant 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 procure the transfer of Equivalent Securities in respect of the Reference Collateral Assets to the Issuer and the Triparty Services Agent, on behalf of the Issuer, will transfer Equivalent Securities in respect of the Replacement Collateral Assets to the Collateral Exchange Counterparty. Where a Collateral Exchange Agreement 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, save where Collateral Physical Settlement is applicable in respect of the relevant Early Redemption Event, 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. Where Collateral Exchange Agreement – Triparty Transfer applies to a series of Secured Securities, the Issuer may enter into one or more additional agreements with, inter alios, the Collateral Exchange Counterparty and/or the Triparty Services Agent in addition to the Collateral Exchange Agreement itself and any reference herein to the Collateral Exchange Agreement shall be construed accordingly so as to include such additional agreements save that any termination of such additional agreements shall not constitute a Related Agreement Termination Event.

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 Assets 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.

3.14 Swap Counterparty Call Option

Where Swap Counterparty Call is specified as applicable in the applicable Final Terms, under the Swap Agreement, on the Call Exercise Date, the Swap Counterparty shall have an option to terminate the Swap Agreement without the payment of a termination payment by either party on the Optional Redemption Date. Following service by the Swap Counterparty of a notice that it has elected to terminate the Swap Agreement in whole or in part on the Call Exercise Date, the Issuer shall redeem the Notes in accordance with Condition 5, as modified by Collateral Security Condition 8.3, subject to the occurrence of an Early Redemption Event or Event of Default. Where the relevant Reference Collateral Assets are to be transferred to the Swap Counterparty against payment of an amount equal to the relevant Optional Redemption Amount (and any accrued and unpaid interest on the Notes), such Reference Collateral Assets shall be automatically released from the security created in respect of them under the Security Agreements to allow such transfer to the Swap Counterparty.

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 and provided further that where Asset Redemption Event is an applicable Early Redemption Event in respect of a series of Securities and RCA Call Event and/or RCA Makewhole Event are applicable Early Redemption Events, where the Specified Reference Collateral Assets are redeemed early in circumstances which would constitute both an Asset Redemption Event and a RCA Call Event and/or a RCA Makewhole Event, as applicable, such redemption shall be treated as a RCA Call Event or RCA Makewhole Event, as the case may be rather than an Asset Redemption Event.

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 in respect of the relevant Early Redemption Event, 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 provided that, where the relevant Early Redemption Event which has occurred is a RCA Early Call Event or an Asset Redemption Event unless Collateral Sale is specified as applicable in respect of such Early Redemption Event in the applicable Final Terms, the Issuer or any Collateral Disposal Agent (on its behalf) will not attempt to sell the relevant Specified Reference Collateral Assets in respect of which the relevant Early Redemption Event has occurred in accordance with Collateral Security Condition 5.3 and instead will use the redemption proceeds received from the early redemption of the Specified Reference Collateral Assets and any amounts received under any applicable Related Agreement to redeem the Securities and pay other amounts due in connection with the early redemption of the Securities provided further that where a sale of Credit Support Assets would be undertaken in accordance with the last paragraph of Collateral Security Condition 5.3, such sale shall still take place in the circumstances set out in the last paragraph of Collateral Security Condition 5.3 where a RCA Early Call Event or an Asset Redemption Event is the relevant Early Redemption Event which is the subject of the relevant Early Redemption Notice notwithstanding that Collateral Security Condition 5.3 would not otherwise apply and the Issuer may appoint a Collateral Disposal Agent in respect of any such sale.

5.3 Sale of Collateral Assets

Where this Collateral Security Condition 5.3 is applicable, 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 respect of the relevant Early Redemption Event in applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Available Specified Reference Collateral Assets to the Holders. Where delivery of the Available 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. Where the Issuer has entered into a Collateral Exchange Agreement with the Collateral Exchange Counterparty if, upon the termination of the Collateral Exchange Agreement following the occurrence of an Early Redemption Event where no Related Agreement Counterparty Default has occurred, the Collateral Exchange Counterparty is unable (after using commercially reasonable efforts) to transfer Equivalent Securities in respect of all or part of the Received Collateral to the Issuer in accordance with the provisions of the Collateral Exchange Agreement (such securities which are not transferred being "**Undelivered Equivalent Securities**"), the Collateral Exchange

Counterparty will pay an amount equal to the fair market value (as determined by the Collateral Exchange Counterparty) of the relevant Undelivered Equivalent Securities to the Issuer in lieu of such delivery by way of a termination payment and, for the avoidance of doubt, such amount shall form part of the Early Redemption Additional Proceeds Amount.

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 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 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 redemption 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 to the Holders 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 determined pursuant to 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 and/or where Annex Early Redemption Event – External Event is specified as applicable in the applicable Final Terms and the Issuer elects to redeem the Securities in accordance with Condition 10.1 or 10.2, any amount which could otherwise be payable in accordance with such Condition 10.1 or 10.2.

5.6 Credit Nominal Value Repack Securities

Where the Secured Securities are Credit Nominal Value Repack Securities, Credit Security Conditions 2(b)(i), 2(b)(iii), or 2(g) 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(d) or 2(e), 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 relevant 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, or RCA Makewhole Event is an applicable Early Redemption Event and a RCA Makewhole Event occurs (in which latter case Collateral Security Condition 5.12 shall apply), 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 Collateral Security Condition 5.8, 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.

5.12 Early Redemption Amount following a RCA Early Call Event

Where a RCA Early Call Event occurs and:

- (a) Standard Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount will be as set out in the definition of such term in Collateral Security Condition 1.1 and interest shall cease to accrue in accordance with the relevant provision of Collateral Security Condition 6.1 specified in the applicable Final Terms;
- (b) Par Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount in respect of each Note will be equal to the Nominal Amount of such Note and interest on such Secured Security shall cease to accrue with effect

from and including; the Interest Payment Date immediately preceding the date of such Early Redemption Event (or, in the case of the first Interest Period, the Interest Commencement Date);

- (c) Accrual Par Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount in respect of each Note will be equal to the Nominal Amount of the Note plus accrued interest on the Note (where it bears interest) calculated in accordance with Condition 3 to, but excluding, the relevant Early Redemption Date; or
- (d) Makewhole Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount in respect of each Note will be equal to a *pro rata* share per Security of an amount equal to the amount scheduled to be received by the Issuer in respect of the Specified Reference Collateral Assets which are the subject of the relevant RCA Early Call Event plus accrued interest on the Note (where it bears interest) calculated in accordance with Security Condition 32 to, but excluding, the relevant Early Redemption Date.

Where (i) a RCA Early Call Event occurs with respect to part only of the principal amount of the Specified Reference Collateral Assets, (ii) one of Par Early Redemption, Accrual Par Early Redemption or Makewhole Early Redemption is specified as applicable in the applicable Final Terms and (iii) RCA Early Call Event – Partial Redemption is specified as applicable in the applicable Final Terms, each Note will be partially redeemed on a *pro rata* basis, in a nominal amount (an "**Early Call Nominal Reduction Amount**") equal to the proportion of the then outstanding Aggregate Nominal Amount of the Securities that the principal amount of the Specified Reference Collateral Assets which is the subject of the RCA Early Call Event bears to the aggregate principal amount of all of the Specified Reference Collateral Assets for such Collateral Pool and an Early Redemption Amount will be calculated in respect of a Nominal Amount of each Note equal to the Early Call Nominal Reduction Amount only. Interest (if applicable) shall continue to accrue on the Nominal Amount outstanding of each Note following the reduction in such Nominal Amount by the relevant Early Call Nominal Reduction Amount in accordance with Condition 3. For the avoidance of doubt, where a RCA Early Call Event occurs and RCA Early Call Event – Partial Redemption is applicable, the relevant proportion of the Reference Collateral Assets, redemption proceeds therefrom and/or proceeds of realisation thereof, as applicable, shall be automatically released from the Security created under the Security Agreements to allow the redemption in part of the Notes.

5.13 Suspension of payments

Where "Suspension of Payments" is specified as applicable in the applicable Final Terms or is deemed to apply in accordance with this Collateral Security Condition 5.13, if the Calculation Agent determines that a Suspension Event has occurred, no payment of principal or interest shall be made by the Issuer in respect of the Notes during the Suspension Period as set out in Collateral Security Condition 6.3 (in the case of interest) or Condition 5 (as modified by Collateral Security Condition 8). If, at any time during the Suspension Period, the Calculation Agent determines that an Early Redemption Event has occurred, then the provisions of Collateral Security Conditions 5.1 to 5.5 shall apply. In determining whether a payment failure has (or may have) occurred, the Calculation Agent may rely on evidence of non-receipt of funds. Where "Standard Early Redemption Event" is an applicable Early Redemption Event, "Suspension of Payments" and this Collateral Security Condition 5.13 shall be deemed to apply, unless specified otherwise in the applicable Final Terms and, for such purpose, the Suspension Period shall be deemed to be a period of 10 Business Days unless a period of a different duration is specified as the Suspension Period in the applicable Final Terms.

6. Interest

6.1 Cessation of Interest Accrual

Upon the occurrence of an Early Redemption Event other than a CDS Credit Event or a RCA Early Call Event (save as set out in Collateral Security Condition 5.12), 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 of Annex 12 (Additional Terms and Conditions for Credit Securities) shall apply.

6.3 Deferred Interest Payments/Suspension of Payments

Where Deferral of Payments or Suspension of Payments is specified as applicable in the applicable Final Terms or, in the case Suspension of Payments is deemed to apply as set out in Collateral Security Condition 5.13, upon the occurrence, in the opinion of the Calculation Agent, of a Payment Deferment 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 and, where Suspension of Payments is specified as applicable in the applicable Final and a Suspension Event occurs if an Early Redemption Event occurs prior to the end of the relevant Suspension Period, each reference in Collateral Security Condition 6.1(a) or (b) to "Early Redemption Event" shall be read as a reference to such Suspension Event.

6.4 Interest Accrual relating to RCA Makewhole Events

Where RCA Makewhole Event is an applicable Early Redemption Event and the terms of relevant Specified Reference Collateral Assets contain a RCA Residual Maturity Call Option, if the RCA Issuer does not exercise its option to redeem the Specified Reference Collateral Assets at their principal amount together with a makewhole amount (howsoever described) on the RCA Residual Maturity Call Option Date, on the first day of the Interest Period immediately following the RCA Residual Maturity Call Option Date, where an Alternative Rate of Interest is specified in the applicable Final Terms, the Rate of Interest applicable to the Notes will be adjusted to the Alternative Rate of Interest specified in the applicable Final Terms and such interest shall continue to accrue at the Alternative Rate of Interest to, but excluding, the Maturity Date in accordance with Security Condition 3, subject to the occurrence of an Early Redemption Event. For the avoidance of doubt, where no Alternative Rate of Interest is specified in the applicable Final Terms, there shall be no adjustment to the rate of interest following the RCA Residual Maturity Call Option Date where the RCA Issuer does not exercise its option to redeem the Specified Reference Collateral Assets at their principal amount together with a makewhole amount (howsoever described) on the RCA Residual Maturity Call Option 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 any other assets of the Issuer, 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, Replacement Collateral Assets or other Charged 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 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 and a Call Event occurs, the Issuer shall, provided that no Early Redemption Event and no Enforcement Event has occurred and having given not less than the minimum notice period nor more than the maximum notice period (if any) specified in the applicable Final Terms (the "**Notice Period**") notice to the Holders in accordance with Condition 17 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all of the Notes then outstanding 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 relevant Optional Redemption Date.

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 the Calculation Amount multiplied by the percentage specified in the applicable Final Terms. Following the redemption in full of each Note at its Optional Redemption Amount on the Optional Redemption Date, for the avoidance of doubt, no further interest amounts will be payable in respect of the 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 depository 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 Condition 17.

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."

12. Recognition of Bail-in and Loss Absorption

Conditions 23.1 to 23.8 (inclusive) shall not apply to the Notes.

Part E

This Part E shall only apply to French Law Securities if the Final Terms of the Securities specify that Part E of Annex 13 (Additional Terms and Conditions for Secured Securities) applies. Where this Part E applies, for the avoidance of doubt, the terms of Part A of Annex 13, Part B of Annex 13, Part C of Annex 13 and Part D of Annex 13 shall not apply to the Securities. Where this Part E of Annex 13 applies, certain definitions and provisions of Part A of Annex 12 (Additional Terms for Credit Securities) will, where specified, also apply and such definitions and provisions shall be deemed to be incorporated into this Part E of Annex 13 as if set out in full, subject to any modifications made in this Part E of Annex 13.

The provisions of Article 1195 of the French *Code Civil* will not apply to these Collateral Security Conditions and Secured Securities which are French Law Securities.

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 French Collateral Security Agency and Pledge Agreement;

"**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 French Collateral Security Agent;

"**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 (a) 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 (i) such Annex or (ii) Condition 9, as the case may be and/or (b) where Annex Early Redemption Event – External Event is specified as applicable in the applicable Final Terms, the Issuer elects to redeem the Notes in accordance with Condition 10.1 or 10.2;

"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);

"Available Specified Reference Collateral Assets" means (a) where the Issuer has not entered into a Collateral Exchange Agreement or a Credit Support Document, the Specified Reference Collateral Assets or (b) where the Issuer has entered into a Collateral Exchange Agreement and/or a Credit Support Document, a nominal amount of Specified Reference Collateral Assets equal to the sum of (i) the nominal amount of any Specified Reference Collateral Assets which have not been transferred to a relevant Related Agreement Counterparty (as at the time the relevant Related Agreement is terminated) and (ii) the nominal amount of Equivalent Securities in respect of the Specified Reference Collateral Assets (if any) which the Issuer receives from a relevant Related Agreement Counterparty upon or in connection with the termination of an applicable Related Agreement in accordance with the terms of such Related 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;

"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;

"Call Exercise Date" means the date falling the number of days prior to the Optional Redemption Date specified in the applicable Final Terms provided that if such day is not a Business Day, it shall be the first Business Day prior to such day, or if no Call Exercise Date is specified in the applicable Final Terms, the date falling 15 calendar days prior to an Optional Redemption Date, provided that if such day is not a Business Day, it shall be the first Business Day prior to such fifteenth calendar day.

"**Call Event**" means the notification by the Swap Counterparty to the Issuer that the Swap Counterparty has elected to exercise its option to terminate the Swap Agreement on the Optional Redemption Date immediately following the relevant Call Exercise Date.

"**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 Note Agency Agreement to the extent of the Issuer's rights against the Collateral Custodian and any applicable Paying Agent in respect of such series of Secured Securities under the Note 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 Note 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 French Collateral Security Agent notifies to Holders that is intended by the French Collateral Security Agent 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 the percentage specified as such in the applicable Final Terms or if no such percentage is specified 100 per cent;

"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 French Collateral Security Agent;

"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 (including where no sale of Collateral Assets is to take place pursuant to Collateral Security Condition 5.2), 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 French Collateral Security Agent (or any disposal agent appointed by the French Collateral Security Agent), as a result of which it is impossible or illegal for the French Collateral Security Agent 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 Auction Settlement Amount" means in relation to any Reference Entity (as defined in Annex 12), an amount in the Settlement Currency as determined by the Calculation Agent as follows:

Max, (0, (A x 100%-B))

where:

"A" means the Reference Entity Notional Amount (as defined in Annex 12);

"B" means the Auction Final Price (as defined in Annex 12);

"Credit Cash Settlement Amount" means in relation to any Reference Entity (as defined in Annex 12), an amount in the Settlement Currency as determined by the Calculation Agent as follows:

Max, (0, (A x 100%-B))

where:

"A" means the Reference Entity Notional Amount (as defined in Annex 12);

"B" means the Final Price (as defined in Annex 12);

"Credit Nominal Value Repack Securities" means Secured Securities to which this Part E 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 Settlement Amount" means (a) where Auction Settlement is specified as applicable in the applicable Final Terms, the Credit Auction Settlement Amount or (b) where Cash Settlement is specified as applicable in the applicable Final Terms or is the Fallback Settlement Method (as defined in Annex 12) specified in the Final Terms and a Fallback Settlement Event (as defined in Annex 12) occurs, the Credit Cash Settlement Amount;

"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 5.4 or 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) where Deferral of Payments is specified as applicable in the Final Terms:
 - (i) subject to (iii) below, upon the occurrence of a Payment Deferment Event which is a Potential Failure to Pay, the date after the relevant scheduled Interest Payment Date which is the earlier of:
 - (A) 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
 - (B) the fifth Business Day after the end of any applicable grace period; or
 - (ii) subject to (iii) below, where the Payment Deferment 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
 - (iii) where a Payment Deferment 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; or
- (b) where Suspension of Payments is specified as applicable in the Final Terms, (i) the second Business Day following the final Business Day of the Suspension Period where no Early Redemption Event has occurred during the Suspension Period or, (ii) where the Calculation Agent determines that the circumstances giving rise to such potential Early Redemption Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Early Redemption Event has occurred, the second Business Day following the date on which the Calculation Agent makes such determination;

"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 French Collateral Security Agent;

"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 which is received by the Issuer;

"Early Redemption Amount" means, save as provided in Collateral Security Condition 5.12(b) or (c)(where applicable), 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 received by the Issuer from the Collateral Exchange Counterparty 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 French Collateral Security Agent'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 (if any), (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, a *pro rata* share per Security of any Credit Settlement 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, (a) 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, if the relevant Collateral Assets are redeemed prior to the sale of such Collateral Assets or an Asset Redemption Event, RCA Makewhole Event or RCA Call Event is the subject of the relevant Early Redemption Notice and Collateral Sale is not specified as applicable in the applicable Final Terms in respect of the relevant Early Redemption Event, the date falling 10 Business Days following the receipt of the relevant redemption proceeds or, (b) 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 Call Event;
- (j) RCA Interest Deferral or Reduction Event;
- (k) RCA Makewhole Event;
- (l) RCA Principal Deferral or Reduction Event;
- (m) RCA Regulatory Event;
- (n) RCA Repudiation/Moratorium Event;
- (o) RCA Restructuring Event;
- (p) RCA Tax Event;
- (q) RCA Issuer Bankruptcy Event;
- (r) RCA Issuer/Parent Bankruptcy Event;
- (s) RCA Issuer/Parent Payment Default Event;
- (t) RCA Issuer/Parent Restructuring Event;
- (u) RCA Issuer/Parent Governmental Intervention Event;
- (v) RCA Issuer/Parent Obligation Acceleration Event;
- (w) RCA Issuer/Parent Repudiation/Moratorium Event;
- (x) Related Agreement Termination Event;
- (y) Standard Early Redemption Event;
- (z) Obligor Early Redemption Event; and
- (aa) Other Early Redemption Event,

provided that, in respect of a series of Secured Securities different Early Redemption Events may be expressed to apply to each of the RCA Issuer, RCA Guarantor, RCA Parent, Eligible Collateral Issuer and/or Specified Reference Entity, as specified 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 assets 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent and/or any appointee or agent thereof by the Issuer under the French Collateral Security Agency and Pledge Agreement;

"**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 Redemption 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 Redemption 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 Redemption Date;

- (b) (where applicable) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Redemption Date;
- (c) (where applicable) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Redemption 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) where Deferral of Payments is specified as applicable in the Final Terms
 - (i) the later of:
 - (A) thirty Business Days after the Extension Date; and
 - (B) 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
 - (ii) any such earlier day as determined by the Calculation Agent by giving notice to the Holders; or
- (b) where Suspension of Payments is specified as applicable in the Final Terms, (i) the second Business Day following the final Business Day of the Suspension Period where no Early Redemption Event has occurred during the Suspension Period or, (ii) where the Calculation Agent determines that the circumstances giving rise to the Suspension Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Early Redemption Event has occurred, the second Business Day following the date on which the Calculation Agent makes such determination;

"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;

"French Collateral Security Agency and Pledge Agreement" means the collateral security agency and pledge agreement between, *inter alios*, the Issuer and the French Collateral Security Agent relating to the relevant series of Secured Securities;

"French Collateral Security Agent" means the entity specified as such in the applicable Final Terms, acting as *agent des sûretés* in accordance with the provisions of article 1984 or article 2488-6 of the French civil code, as specified in the French Collateral Security Agency and Pledge Agreement and, if applicable, any agent of, or any other entity appointed by the French Collateral Security Agent;

"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 relevant 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent are not enough to pay such amounts in full, the French Collateral Security Agent 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 French Collateral Security Agent: (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

French Collateral Security Agent is satisfied that it is sufficiently indemnified and/or secured and/or pre-funded, and/or the French Collateral Security Agent 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 French Collateral Security Agent 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; 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;

"Net Proceeds" has the meaning given to it in Collateral Security Condition 11;

"Nominal Amount" means, in respect of any Secured Security, a nominal amount equal to the Calculation Amount of such Secured Security;

"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 E 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 provided that:

- (a) 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; and
- (b) if "Financial Entity Terms" and "RCA Issuer/Parent Governmental Intervention" are specified as applicable in respect of a RCA Reference Entity, if an obligation would otherwise satisfy a particular Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the RCA Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a RCA Issuer/Parent Governmental Intervention shall not cause such obligation to fail to satisfy such Obligation Characteristic;

"Obligation Currency" means the currency or currencies in which an Obligation is denominated;

"Obligor Early Redemption Event" means the occurrence of one or more of the following events:

- (a) RCA Issuer/Parent Bankruptcy Event;
- (b) RCA Issuer/Parent Payment Default Event;
- (c) RCA Issuer/Parent Governmental Intervention Event;
- (d) RCA Issuer/Parent Obligation Acceleration Event;
- (e) RCA Issuer/Parent Repudiation/Moratorium Event; and
- (f) RCA Issuer/Parent Restructuring Event;

"Other Currency" has the meaning given to it in Collateral Security Condition 3.13;

"Other Early Redemption Event" means the occurrence of one or more of the following events:

- (a) CDS Credit Event;
- (b) MTM Trigger Redemption Event;
- (c) RCA Call Event; and
- (d) RCA Makewhole Event;

"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) where Deferral of Payments is specified as being applicable;

- (i) 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**"); or
 - (ii) (A) the DC Secretary has received a notice within the definition of "DC Credit Event Question" and (B) 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
 - (iii) on or after the Interest Payment Date immediately preceding the Scheduled Redemption Date, to the extent not covered by (a) and (b) above, where an Extension Notice has been served; or
- (b) where Suspension of Payments is specified as being applicable or is deemed to apply in accordance with Collateral Security Condition 5.13, the occurrence of a Suspension Event.

"**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 French Collateral Security Agent 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 Call Event" means a RCA Issuer elects to exercise any option it has under the terms of the relevant Specified Reference Collateral Assets to redeem such Specified Reference Collateral Assets in accordance with their terms (including, without limitation, where a RCA Maturity Call Option Event occurs) other than where RCA Makewhole Event is an applicable Early Redemption Event and a RCA Makewhole Event occurs provided that such event shall be deemed to occur as of the later of (a) the relevant event being notified to the holders of the relevant Specified Reference Collateral Assets by, or on behalf, of the relevant RCA Issuer and (b) the earlier of the Issuer or the Calculation Agent becoming aware of the occurrence of such event;

"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 an Additional Credit Linked Note Disruption Event (in the case of Credit Securities), or (iii) for the Issuer to hold, acquire or dispose of any Reference Collateral Assets;

"RCA Early Call Event" means where RCA Makewhole Event is specified as applicable in the applicable Final Terms and a RCA Makewhole Event occurs, the occurrence of such RCA Makewhole Event or, where RCA Call Event is specified as applicable in the applicable Final Terms and a RCA Call Event occurs, the occurrence of such RCA Call Event;

"RCA Guarantor" means each guarantor of the relevant RCA Issuer's obligations in respect of any Specified Reference Collateral Assets;

"RCA Interest Deferral or Reduction Event" means any deferral, postponement, capitalisation or reduction (in part or in full) of one or more interest payments under the relevant Specified Reference Collateral Assets and/or reduction of the applicable RCA Interest Rate set out in the terms of the relevant Specified Reference Collateral Assets as of the Trade Date (after taking account of any applicable grace period under the terms of the relevant Specified Reference Collateral Assets and adjustments for non-business days) (an **"Interest Deferral Event"**), regardless of whether or not such Interest Deferral Event is permitted by the terms of such Specified Reference Collateral Assets and whether or not such Interest Deferral Event leads to an event of default under the terms of the Specified Reference Collateral Assets and no regard shall be had as to whether any such interest payment is (a) deferred or postponed for potential later payment or (b) is reduced (in part or in full) with no possibility for later payment;

"RCA Interest Rate" means the interest rate applicable to the Specified Reference Collateral Assets as specified in the applicable Final Terms;

"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 (g) (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) above.
- (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;

(c) The following provisions shall apply in respect of a RCA 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 RCA Issuer/Parent Governmental Intervention falling within paragraph (a) of the definition above.
- (ii) A CoCo Provision shall be deemed to be a provision which permits a RCA Issuer/Parent 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 (A) a permanent or temporary reduction of the amount of principal payable at redemption or (B) 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.

"**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 RCA 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 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;

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 RCA 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 (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 RCA Reference Entity, provided that in respect of (a)(v) 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 (b) 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 (b) 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 (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.

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 Makewhole Event" means a RCA Issuer elects in accordance with the terms of the relevant Specified Reference Collateral Assets to redeem the Specified Reference Collateral Assets in whole or in part prior to their scheduled maturity date for an amount equal to the principal amount of such Specified Reference Collateral Assets together with a makewhole amount (howsoever described including where the amount required to be paid on redemption on account of principal is greater than par) provided that such event shall be deemed to occur as of the later of (a) the relevant event being notified to the holders of the relevant Specified Reference Collateral Assets by, or on behalf, of the relevant RCA Issuer and (b) the earlier of the Issuer or the Calculation Agent becoming aware of the occurrence of such event;

"RCA Maturity Call Option Event" means where the relevant RCA Issuer has the right to redeem the Specified Reference Collateral Assets in whole or in part prior to their scheduled maturity date for an amount equal to the principal amount of such Specified Reference Collateral Assets together with a makewhole amount (howsoever described including where the amount required to be paid on redemption on account of principal is greater than par) and it also has a right to redeem the Specified Reference Collateral Assets at any time from a certain date prior to the scheduled redemption date (the **"RCA Residual Maturity Call Option Date"**) at an amount equal to the nominal amount of the Specified Reference Collateral Assets plus accrued interest (the **"RCA Maturity Call Option"**) and the RCA Issuer exercises the RCA Maturity Call Option;

"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 Principal Deferral or Reduction Event" means any deferral, postponement or reduction (in part or in full) of the scheduled repayment of principal under the relevant Specified Reference Collateral Assets as set out in the terms of the relevant Specified Reference Collateral Assets as of the Trade Date (after taking account of any applicable grace period under the terms of the relevant Specified Reference Collateral Assets and adjustments for non-business days) (a **"Principal Deferral Event"**), regardless of whether or not such Principal Deferral Event is permitted by the terms of such Specified Reference Collateral Assets or whether or not such Principal Deferral Event leads to an event of default under the terms of the Specified Reference Collateral Assets and no regard shall be had as to whether any such payment is (a) deferred or postponed for potential later payment or (b) is reduced (in part or in full) with no possibility for later payment;

"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;

"Received Collateral" means Reference Collateral Assets which have been transferred to the Collateral Exchange Counterparty by the Issuer pursuant to the Collateral Exchange Agreement in respect of which the Collateral Exchange Counterparty has not transferred Equivalent 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 and/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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent are not enough to pay such amounts in full, the French Collateral Security Agent 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 French Collateral Security Agent for itself and on behalf of the *Masse* 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 French Collateral Security Agency and Pledge Agreement, 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;

"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;

"Standard Early Redemption Event" means the occurrence of one or more of the following events:

- (a) Annex Early Redemption Event;
- (b) Asset Payment Default Event;
- (c) Asset Default Event;
- (d) Asset Redemption Event;
- (e) Asset Payment Shortfall Event;
- (f) RCA Change in Law Event;
- (g) RCA Regulatory Event;
- (h) RCA Repudiation/Moratorium Event;
- (i) RCA Restructuring Event;
- (j) RCA Tax Event;
- (k) RCA Interest Deferral or Reduction Event;
- (l) RCA Principal Deferral or Reduction Event;
- (m) RCA Issuer Bankruptcy Event; and
- (n) Related Agreement Termination Event;

"Successor" means in respect of a 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;

"Suspension Event" means the Calculation Agent determines that facts exist which may (assuming the expiration of any applicable grace period) amount to (a) an Asset Payment Default Event (disregarding any terms allowing for non-payment, deferral or adjustments to any scheduled payments and any notice period in respect thereof) in respect of any relevant Specified Reference Collateral Assets or to an Asset Default Event in respect of any relevant Specified Reference Collateral Asset;

"Suspension Period" means the period specified as such in the applicable Final Terms or the period specified in Collateral Security Condition 5.13;

"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(s) 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 and (i) where Extinguisher of All Swap Flows is specified to be applicable, there will be no termination payment due from either party under the relevant Swap Agreement(s) or (ii) where Extinguisher of All Swap Flows is not specified as applicable, any termination payment which would otherwise be due from the Issuer to the Swap Counterparty in respect of the relevant Swap Agreement(s) 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 French Collateral Security Agent 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 French Collateral Security Agent and/or any appointee or agent thereof or any receiver appointed in connection with the relevant Collateral Pool;
- (b) 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 French Collateral Security Agent are not enough to pay such amounts in full, the French Collateral Security Agent shall apply them pro rata on the basis of the amount due to each party entitled to such payment;

- (c) 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
- (d) 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 French Collateral Security Agent 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 French Collateral Security Agent and/or any appointee or agent thereof or any receiver appointed in connection with the relevant Collateral Pool;
- (b) 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 French Collateral Security Agent are not enough to pay such amounts in full, the French Collateral Security Agent shall apply them pro rata on the basis of the amount due to each party entitled to such payment;
- (c) 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;
- (d) 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 French Collateral Security Agent are not enough to pay such amounts in full, the French Collateral Security Agent shall apply them pro rata on the basis of the amount due to each party entitled to such payment; and
- (e) 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. Where a Transaction Type is specified in the Final Terms in respect of any Reference Entity, then the provisions of these Collateral Security Conditions shall apply with respect to such RCA 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;

"Triparty Services Agent" means the party specified as such in the applicable Final Terms;

"Undeliverable Collateral Assets" means Collateral Assets which the French Collateral Security Agent (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; and

"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 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, (e) any references to "Financial Reference Entity Terms" shall be deemed to be a reference to "Financial Entity Terms," (f) any references to "Governmental Intervention" shall be deemed to be a reference to "RCA Issuer/Parent Governmental Intervention" and (g) any references to Credit Securities shall be deemed to be references to Nominal Value Repack Securities provided that where a term is specified in these Collateral Security Conditions to be defined as set out in Annex 12, it shall have the meaning specified for such term in Part A of Annex 12 (Additional Terms and Conditions for Credit 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 French Collateral Security Agent

The French Collateral Security Agent in respect of the Secured Securities shall be the entity so specified as French collateral security agent in the applicable Final Terms and subject to the terms of the French Collateral Security Agency and Pledge Agreement. The expression "French Collateral Security Agent" shall, in relation to the relevant Secured Securities, include such other specified French collateral security agent.

2.2 Security Agreements

The French Collateral Security Agency and Pledge Agreement will be governed by French law. The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and Conditions 22.1(iv) and 22.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

3. Status of the Secured Securities, Security and Guarantee

3.1 Status

Condition 2.1(a) shall not apply to the Secured Securities. The Secured Securities are unsubordinated and secured limited recourse obligations of the Issuer which rank pari passu among themselves and are secured in the manner described in Collateral Security Condition 3.2 and recourse of which is limited in the manner described in Collateral Security Condition 7.2 and Collateral Security Condition 11.

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 French Collateral Security Agent (each a "**Pledge Agreement**") pursuant to which the Issuer will grant a first ranking security interest in favour of the French Collateral Security Agent, for itself and 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 (if any) 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 French Collateral Security Agency and Pledge Agreement with the French Collateral Security Agent to, inter alia, grant security over its rights under the Charged Agreement(s) in favour of the French Collateral Security Agent for itself and 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

Save where the applicable Final Terms specify that there are no Reference Collateral Assets in respect of a series of Secured Securities, 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 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 1 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 5 June 2018 or the Guarantee for Unsecured French Law Notes dated on or around 5 June 2018, 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

The Issuer may enter into a Collateral Exchange Agreement with the Collateral Exchange Counterparty and:

- (a) where Collateral Exchange Agreement – Two Way Transfer 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 some or all of the relevant Specified Reference Collateral Assets from the Collateral Account and transfer such Specified Reference Collateral Assets to the Collateral Exchange Counterparty 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 relevant 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 a Collateral Exchange Agreement 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, save where Collateral Physical Settlement is applicable in respect of the relevant Early Redemption Event, 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. Upon the early termination of the Collateral Exchange Agreement where Collateral Physical Settlement is applicable in respect of an Early Redemption Event and no Related Agreement Counterparty Default has occurred, the Collateral Exchange Counterparty will use commercially reasonable efforts to 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. Where the Collateral Exchange Counterparty is unable (after using commercially reasonable efforts) to transfer Equivalent Securities in respect of all or part of the Received Collateral to the Issuer in accordance with the provisions of the Collateral Exchange Agreement, an amount will be payable by the Collateral Exchange Counterparty to the Issuer as described in Collateral Security Condition 5.4 in lieu of such delivery;

- (b) where Collateral Exchange Agreement – One Way Transfer Securities Lending 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 some or all of the relevant Specified Reference Collateral Assets from the Collateral Account and deliver such Specified Reference Collateral Assets to the Collateral Exchange Counterparty provided that for the purposes of the applicable Early Redemption Events, the relevant 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;
- (c) Where Collateral Exchange Agreement – Triparty Transfer 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 withdraw some or all of the relevant Specified Reference Collateral Assets from the Collateral Account and transfer such Specified Reference Collateral Assets to the Collateral Exchange Counterparty 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 (as calculated by the Triparty Services Agent) provided that for the purposes of the applicable Early Redemption Events, the relevant 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 procure the transfer of Equivalent Securities in respect of the Reference Collateral Assets to the Issuer and the Triparty Services Agent, on behalf of the Issuer, will transfer Equivalent Securities in respect of the Replacement Collateral Assets to the Collateral Exchange Counterparty. Where a Collateral Exchange Agreement 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, save where Collateral Physical Settlement is applicable in respect of the relevant Early Redemption Event, 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. Where Collateral Exchange Agreement – Triparty Transfer applies to a series of Secured Securities, the Issuer may enter into one or more additional agreements with, inter alios, the Collateral Exchange Counterparty and/or the Triparty Services Agent in addition to the Collateral Exchange Agreement itself and any reference herein to the Collateral Exchange Agreement shall be construed accordingly so as to include such additional agreements save that any termination of such additional agreements shall not constitute a Related Agreement Termination Event.

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 Assets 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 French Collateral Security Agent 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 French Collateral Security Agent (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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent or any agent of the French Collateral Security Agent (in the case of Collateral Security Condition 7) at the market rate available to the French Collateral Security Agent in each case immediately prior to the payment of the relevant amount to the Holders.

3.14 Swap Counterparty Call Option

Where Swap Counterparty Call is specified as applicable in the applicable Final Terms, under the Swap Agreement, on the Call Exercise Date, the Swap Counterparty shall have an option to terminate the Swap Agreement without the payment of a termination payment by either party on the Optional Redemption Date. Following service by the Swap Counterparty of a notice that it has elected to terminate the Swap Agreement in whole or in part on the Call Exercise Date, the Issuer shall redeem the Notes in accordance with Condition 5, as modified by Collateral Security Condition 8.3, subject to the occurrence of an Early Redemption Event or Event of Default. Where the relevant Reference Collateral Assets are to be transferred to the Swap Counterparty against payment of an amount equal to the relevant Optional Redemption Amount (and any accrued and unpaid interest on the Notes), such Reference Collateral Assets shall be automatically released

from the security created in respect of them under the Security Agreements to allow such transfer to the Swap Counterparty.

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 and provided further that where Asset Redemption Event is an applicable Early Redemption Event in respect of a series of Securities and RCA Call Event and/or RCA Makewhole Event are applicable Early Redemption Events, where the Specified Reference Collateral Assets are redeemed early in circumstances which would constitute both an Asset Redemption Event and a RCA Call Event and/or a RCA Makewhole Event, as applicable, such redemption shall be treated as a RCA Call Event or RCA Makewhole Event, as the case may be rather than an Asset Redemption Event.

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 in respect of the relevant Early Redemption Event, 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 provided that, where the relevant Early Redemption Event which has occurred is a RCA Early Call Event or an Asset Redemption Event unless Collateral Sale is specified as applicable in respect of such Early Redemption Event in the applicable Final Terms, the Issuer or any Collateral Disposal Agent (on its behalf) will not attempt to sell the relevant Specified Reference Collateral Assets in respect of which the relevant Early Redemption Event has occurred in accordance with Collateral Security Condition 5.3 and instead will use the redemption proceeds received from the early redemption of the Specified Reference Collateral Assets and any amounts received under any

applicable Related Agreement to redeem the Securities and pay other amounts due in connection with the early redemption of the Securities provided further that where a sale of Credit Support Assets would be undertaken in accordance with the last paragraph of Collateral Security Condition 5.3, such sale shall still take place in the circumstances set out in the last paragraph of Collateral Security Condition 5.3 where a RCA Early Call Event or an Asset Redemption Event is the relevant Early Redemption Event which is the subject of the relevant Early Redemption Notice notwithstanding that Collateral Security Condition 5.3 would not otherwise apply and the Issuer may appoint a Collateral Disposal Agent in respect of any such sale.

5.3 Sale of Collateral Assets

Where this Collateral Security Condition 5.3 is applicable, 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 respect of the relevant Early Redemption Event in the applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Available 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. Where the Issuer has entered into a Collateral Exchange Agreement with the Collateral Exchange Counterparty if, upon the termination of the Collateral Exchange Agreement following the occurrence of an Early Redemption Event where no Related Agreement Counterparty Default has occurred, the Collateral Exchange Counterparty is unable (after using commercially reasonable efforts) to transfer Equivalent Securities in respect of all or part of the Received Collateral to the Issuer in accordance with the provisions of the Collateral Exchange Agreement (such securities which are not transferred being "**Undelivered Equivalent Securities**"), the Collateral Exchange Counterparty will pay an amount equal to the fair market value (as determined by the Collateral Exchange Counterparty) of the relevant Undelivered Equivalent Securities to the Issuer in lieu of such delivery by way of a termination payment and, for the avoidance of doubt, such amount shall form part of the Early Redemption Additional Proceeds Amount.

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), Security 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 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 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 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 redemption 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 to the holders 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 determined pursuant to 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 and/or where Annex Early Redemption Event – External Event is specified as applicable in the applicable Final Terms and the Issuer elects to redeem the Securities in accordance with Condition 10.1 or 10.2, any amount which could otherwise be payable in accordance with such Condition 10.1 or 10.2.

5.6 Credit Nominal Value Repack Securities

Where the Secured Securities are Credit Nominal Value Repack Securities, Credit Security Conditions 2(b)(i), 2(b)(iii), or 2(g) 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(d) or 2(e), 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 relevant 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 or RCA Makewhole Event is an applicable Early Redemption Event and a RCA Makewhole Event occurs (in which latter case Collateral Security Condition 5.12 shall apply), 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.

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 French Collateral Security Agent'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 French Collateral Security Agent'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 French Collateral Security Agent'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 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.
- (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 Security Condition 32.

5.12 Early Redemption Amount following a RCA Early Call Event

Where a RCA Early Call Event occurs and:

- (a) Standard Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount will be as set out in the definition of such term in Collateral Security Condition 1.1 and interest shall cease to accrue in accordance with the relevant provision of Collateral Security Condition 6.1 specified in the applicable Final Terms;
- (b) Par Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount in respect of each Note will be equal to the Nominal Amount of such Note and interest on such Secured Security shall cease to accrue with effect from and including; the Interest Payment Date immediately preceding the date of such Early Redemption Event (or, in the case of the first Interest Period, the Interest Commencement Date);
- (c) Accrual Par Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount in respect of each Note will be equal to the Nominal Amount of the Note plus accrued interest on the Note (where it bears interest) calculated in accordance with Condition 3 to, but excluding, the relevant Early Redemption Date; or
- (d) Makewhole Early Redemption is specified to be applicable in respect of the relevant RCA Early Call Event in the applicable Final Terms, the Early Redemption Amount in respect of each Note will be equal to a *pro rata* share per Security of an amount equal to the amount scheduled to be received by the Issuer in respect of the Specified Reference Collateral Assets which are the subject of the relevant RCA Early Call Event plus accrued interest on the Note (where it bears interest) calculated in accordance with Security Condition 32 to, but excluding, the relevant Early Redemption Date.

Where (i) a RCA Early Call Event occurs with respect to part only of the principal amount of the Specified Reference Collateral Assets, (ii) one of Par Early Redemption, Accrual Par Early Redemption or Makewhole Early Redemption is specified as applicable in the applicable Final Terms and (iii) RCA Early Call Event – Partial Redemption is specified as applicable in the applicable Final Terms, each Note will be partially redeemed on a *pro rata* basis, in a nominal amount (an "**Early Call Nominal Reduction Amount**") equal to the proportion of the then outstanding aggregate Nominal Amount of the Securities that the principal amount of the Specified Reference Collateral Assets which is the subject of the RCA Early Call Event bears to the aggregate principal amount of all of the Specified Reference Collateral Assets for such Collateral Pool and an Early Redemption Amount will be calculated in respect of a Nominal Amount of each Note equal to the Early Call Nominal Reduction Amount only. Interest (if applicable) shall continue to accrue on the Nominal Amount outstanding of each Note following the reduction in such Nominal Amount by the relevant Early Call Nominal Reduction Amount in accordance with Condition 3. For the avoidance of doubt, where a RCA Early Call Event occurs and RCA Early Call Event – Partial Redemption is applicable, the relevant proportion of the Reference Collateral Assets, redemption proceeds therefrom and/or proceeds of realisation thereof, as applicable, shall be automatically released from the security created under the Security Agreements to allow the redemption in part of the Notes.

5.13 Suspension of payments

Where "Suspension of Payments" is specified as applicable in the applicable Final Terms or is deemed to apply in accordance with this Collateral Security Condition 15.3, if the Calculation Agent determines that a

Suspension Event has occurred, no payment of principal or interest shall be made by the Issuer in respect of the Notes during the Suspension Period as set out in Collateral Security Condition 6.3 (in the case of interest) or Condition 5 (as modified by Collateral Security Condition 8). If, at any time during the Suspension Period, the Calculation Agent determines that an Early Redemption Event has occurred, then the provisions of Collateral Security Conditions 5.1 to 5.5 shall apply. In determining whether a payment failure has (or may have) occurred, the Calculation Agent may rely on evidence of non-receipt of funds. Where "Standard Early Redemption Event" is an applicable Early Redemption Event, "Suspension of Payments" and this Collateral Security Condition 5.13 shall be deemed to apply, unless specified otherwise in the applicable Final Terms and, for such purpose, the Suspension Period shall be deemed to be a period of 10 Business Days unless a period of a different duration is specified as the Suspension Period in the applicable Final Terms.

6. Interest

6.1 Cessation of Interest Accrual

Upon the occurrence of an Early Redemption Event other than a CDS Credit Event or a RCA Early Call Event (save as set out in Collateral Security Condition 5.12), 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 of Annex 12 (Additional Terms and Conditions for Credit Securities) shall apply.

6.3 Deferred Interest Payments/Suspension of Payments

Where Deferral of Payments or Suspension of Payments is specified as applicable in the applicable Final Terms or, in the case Suspension of Payments is deemed to apply as set out in Collateral Security Condition 5.13, upon the occurrence, in the opinion of the Calculation Agent, of a Payment Deferment 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 and, where Suspension of Payments is specified as applicable in the applicable Final and a Suspension Event occurs if an Early Redemption Event occurs prior to the end of the relevant Suspension Period, each reference in Collateral Security Condition 6.1(a) or (b) to "Early Redemption Event" shall be read as a reference to such Suspension Event.

6.4 Interest Accrual relating to RCA Makewhole Events

Where a RCA Makewhole Event is an applicable Early Redemption Event and the terms of relevant Specified Reference Collateral Assets contain a RCA Residual Maturity Call Option, if the RCA Issuer does not exercise

its option to redeem the Specified Reference Collateral Assets at their principal amount together with a makewhole amount (howsoever described) on the RCA Residual Maturity Call Option Date, on the first day of the Interest Period immediately following the RCA Residual Maturity Call Option Date, where an Alternative Rate of Interest is specified in the Applicable Final Terms, the Rate of Interest applicable to the Notes will be adjusted to the Alternative Rate of Interest specified in the applicable Final Terms and such interest shall continue to accrue at the Alternative Rate of Interest to, but excluding, the Maturity Date in accordance with Condition 3, subject to the occurrence of an Early Redemption Event. For the avoidance of doubt, where no Alternative Rate of Interest is specified in the applicable Final Terms, there shall be no adjustment to the rate of interest following the RCA Residual Maturity Call Option Date where the RCA Issuer does not exercise its option to redeem the Specified Reference Collateral Assets at their principal amount together with a makewhole amount (howsoever described) on the RCA Residual Maturity Call Option Date.

7. Events of Default and Enforcement

7.1 Events of Default

The French Collateral Security Agent may, and if so requested in writing by the Holders of at least one-fifth in number of the outstanding Secured Securities of the relevant series, or if so directed by a General Meeting 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 French Collateral Security Agent 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 French Collateral Security Agent 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 a General Meeting 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 French Collateral Security Agent 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 French Collateral Security Agent 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, unless and until the French Collateral Security Agent 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 a General Meeting of such Holders, and subject, in each case, to the French Collateral Security Agent being indemnified and/or secured and/or pre-funded to its satisfaction. The French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent. 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 French Collateral Security Agent and the French Collateral Security Agent 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 any other assets of the Issuer, 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 or other Charged Assets relating to such series of Secured Securities.

The French Collateral Security Agent (and any agent appointed by the French Collateral Security Agent) 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent, 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 French Collateral Security Agent. 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 French Collateral Security Agent and the French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent. The French Collateral Security Agent 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 French Collateral Security Agent 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), Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Collateral Assets in accordance with this Collateral Security Condition 7.5, (iii) the French Collateral Security Agent shall be entitled to deduct from the assets deliverable to Holders all Security Expenses not previously deducted from amounts paid or assets delivered to Holders, as the French Collateral Security Agent shall 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 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 French Collateral Security Agent (or such other agent as may be appointed by the French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent (or such other agent as may be appointed by the French Collateral Security Agent 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 French Collateral Security Agent (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 French Collateral Security Agent (or such agent) may elect 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 French Collateral Security Agent (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 French Collateral Security Agent (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 French Collateral Security Agent to sell the relevant Undeliverable Collateral Assets within a period of two years. The French Collateral Security 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 French Collateral Security Agent (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 French Collateral Security 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 French Collateral Security Agent 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 French Collateral Security Agent (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 French Collateral Security Agent of the results of such calculations and determinations within 15 Business Days of a request from the French Collateral Security Agent (or any agent acting on its behalf) to make such calculations and determinations or (ii) the Collateral Calculation Agent has notified to the French Collateral Security Agent that it is unable to perform the calculations or other duties required of it by these Collateral Security Conditions, the French Collateral Security Agent 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 French Collateral Security Agent may and shall, if instructed to do so in accordance with Collateral Security Condition 7.2 and indemnified and/or secured and/or prefunded 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 French Collateral Security Agent 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.

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 and a Call Event occurs, the Issuer shall, provided that no Early Redemption Event and no Enforcement Event has occurred and having given not less than the minimum notice period nor more than the maximum notice period (if any) specified in the applicable Final Terms (the "**Notice Period**") notice to the Holders in accordance with Condition 17 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all of the Notes then outstanding 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 relevant Optional Redemption Date.

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 the Calculation Amount multiplied by the percentage specified in the applicable Final Terms. Following the redemption in full of each Note at its Optional Redemption Amount on the Optional Redemption Date, for the avoidance of doubt, no further interest amounts will be payable in respect of the Notes.

5.4 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 and accordingly may not be re-issued or resold."

- (b) Conditions 5.8 shall be deleted in its entirety and shall be replaced with the following:

"5.8 [This section is intentionally left blank.]"

9. **Removal, Indemnification and Liability of the French Collateral Security Agent**

The French Collateral Security Agency and Pledge Agreement contains provisions for the appointment, retirement and removal of the French Collateral Security Agent, in accordance with article 2328-1 or, as applicable, articles 2488-6 to 2488-12 of the French *Code civil*. The Issuer shall as soon as practicable after the appointment of a new French collateral security agent notify the Holders of such appointment in accordance with Condition 17.

The French Collateral Security Agency and Pledge Agreement contains provisions for the indemnification of the French Collateral Security Agent 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 French Collateral Security Agent has not investigated) of the security created over the Collateral Assets. The French Collateral Security Agent is not obliged to take any action under the French Collateral Security Agency and Pledge Agreement, the Securities, these Collateral Security Conditions or otherwise unless indemnified and/or secured and/or pre-funded to its satisfaction. The French Collateral Security Agent will not be liable to any party for any act or omission in connection with its role under or for the purposes of the French Collateral Security Agency and Pledge Agreement or these Collateral Security Conditions in the absence of its own gross negligence, wilful default or fraud. The French Collateral Security Agent 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 French Collateral Security Agent 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 French Collateral Security Agent (in each case, if applicable). The French Collateral Security Agent 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 French Collateral Security Agency and Pledge Agreement or any agreement referred to therein to which the Issuer and the Guarantor are party, any security created or guarantee given under the French Collateral Security Agency and Pledge Agreement shall be reserved for the benefit of the new French collateral security agent (for itself and as agent 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 French Collateral Security Agency and Pledge Agreement, 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:

- (a) the obligations of the Issuer in respect of such Securities will be limited to such Net Proceeds and neither the French Collateral Security Agent 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

- (b) 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 French Collateral Security Agent 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 French Collateral Security Agent to recover any such Residual Shortfall.

No Holder or other Secured Party nor any party to the French Collateral Security Agency and Pledge Agreement 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 French Collateral Security Agent pursuant to the French Collateral Security Agency and Pledge Agreement) 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:

- (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."

12. Determinations

In making any determination or adjustment, the Calculation Agent, the Collateral Calculation Agent and the French Collateral Security Agent will act in good faith and in a commercially reasonable manner, to preserve the economics of the agreed terms, as far as reasonably practicable. Any such determination or adjustment shall not create a significant imbalance between the rights and obligations of the Issuer compared to the Noteholders, to the detriment of the Noteholders.

13. Recognition of Bail-in and Loss Absorption

Conditions 23.1 to 23.8 (inclusive) shall not apply to the Notes.

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 or Part D or Part E 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.

"**20 August 2015 Decree Law**" is as defined in Condition 23.2.

"**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(d), Payout Condition 2.1(j), Payout Condition 2.1(l), Payout Condition 2.2(h), 2.2(i), Payout Condition 2.6(i), Share Security Condition 4.2(e), ETI Security Condition 6.2(b), ETI Security Condition 12.2(e) and Part A, Condition 13 of the Credit Security Conditions.

"**Acceleration Notice**" is as defined in Collateral Security Conditions, Part D, Condition 1 and Part E, Condition 1.

"**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).

"**Act_(t-1,t)**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**ACT Day**" is as defined in Payout Condition 2.6(e).

"**ACT Day**" or "**t**" is as defined in Payout Condition 2.6(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 and Collateral Security Conditions Part A Condition 7, Part B Condition 7 and Part D Condition 7.

"**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 Proceeds Amount**" is as defined in Collateral Security Conditions, Part D, Condition 1 and Part E, Condition 1.

"**Additional Provisions**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Additional Security Document**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, Part D Condition 1, Part E Condition 1.

"**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.

"**Administrator/Benchmark Event**" is as defined in Condition 9.1.

"**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).

"**AF**" is as defined in Payout Condition 2.6(e).

"**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) and ETI Security Condition 12.2(e).

"**Affected ETI Interest**" is as defined in ETI Security Condition 6.2(b) and ETI Security Condition 12.2(e).

"**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(d) 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 Credit Unwind Costs**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Aggregate Delivery Share**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, Part D Condition 1, Part E Condition 1.

"**Aggregate Final Security Value**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, Part D Condition 1, Part E Condition 1.

"**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.

"**Alternate Cash Redemption Amount**" is as defined in Condition 4(b)(iii).

"**Alternative Security Document**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, Part D Condition 1, Part E Condition 1.

"**Amortised Face Amount**" is as defined in Condition 5.5(a)(iii).

"**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 Early TIPP Value**" is as defined in Payout Condition 2.6(g).

"**Automatic Payout Switch Event**" is as defined in Condition 5.12.

"**Automatic Payout Switch Level**" is as defined in Condition 5.12.

"**Autoroll Date**" is as defined in Condition 5.6;

"**Autoroll Event**" is as defined in Condition 5.6;

"**Autoroll Level**" is as defined in Condition 5.6;

"**Available Specified Reference Collateral Assets**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E Condition 1.1.

"**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, ETI Security Condition 6.2 and ETI Security Condition 12.2(e).

"**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 ER_t**" is as defined in Payout Condition 2.6(e).

"**Basket ER_{t-1}**" is as defined in Payout Condition 2.6(e).

"**Basket_t**" is as defined in Payout Condition 2.6(e).

"**Basket_{t-1}**" is as defined in Payout Condition 2.6(e).

"**Basket Company**" is as defined in Condition 9.2(d), 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 ETI Interests**" is as defined in ETI Security Condition 9.

"**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.

"**Benchmark**" is as defined in Condition 9.1.

"**Benchmark Modification or Cessation Event**" is as defined in Condition 9.1.

"**Best Intraday Value**" is as defined in Payout Condition 2.6(c).

"**Best Value**" is as defined in Payout Condition 2.6(c).

"**BestLockValue_(t)**" is as defined in Payout Condition 2.2(d)(iii).

"**Best-Performing Underlying Reference Closing Value_(t)**" is as defined in Payout Condition 2.4(b).

"**BMR**" is as defined in Condition 9.1;

"**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 English Law Note Guarantee**" is as defined in Terms and Conditions of the Notes, paragraph 7.

"**BNPP French Law Note Guarantee**" is as defined in Terms and Conditions of the Notes, paragraph 7.

"**BNPP Guarantor**" is as defined in Terms and Conditions of the Notes, paragraph 3.

"**BNPP Holding**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, Part D Condition 1, Part E Condition 1.

"**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 Coupon Day Count Fraction**" is as defined in Credit Security Condition, Part A, Condition 13.

"**Bonus Coupon Determination Date**" is as defined in Credit Security Condition, Part A, Condition 13.

"**Bonus Coupon Implicit Portfolio Size**" is as defined in Credit Security Condition, Part A, Condition 13.

"**Bonus Coupon Payment Date(s)**" is as defined in Credit Security Condition, Part A, Condition 13.

"**Bonus Coupon Writedown Rate**" is as defined in Credit Security Condition, Part A, Condition 13.

"**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.

"**BRRD**" is as defined in Condition 23.2.

"**Business Day**" is as defined in Condition 3.13.

"**C**" is as defined in the Credit Security Conditions, Part A, Condition 13 and ETI Security Condition 12.2(e).

"**Calculated Additional Disruption Amount**" is as defined in Condition 9.2(b)(ii).

"**Calculated Additional Disruption Amount Determination Date**" is as defined in Condition 9.2(b)(ii).

"**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) and ETI Security Condition 12.2(c)(ii).

"**Calculated Extraordinary Event Amount Determination Date**" is as defined in Share Security Condition 4.2(c)(ii) and ETI Security Condition 12.2(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 Collateral Security Conditions, Part A Condition 8.6 and Part C Condition 8.6 and 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, ETI Security Condition 9, 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, ETI Security Condition 9, 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, ETI Security Condition 1 and ETI Security Condition 9.

"**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).

"**Collateral Account**" is as defined in the Collateral Security Conditions, Part A Condition 1 and 3.2, Part B Condition 1 and 3.2, Part C Condition 1 and 3.2, Part D Condition 1 and 3.2 and Part E Condition 1 and 3.2

"**Collateral Agent**" is as defined in the Collateral Security Conditions, Part A Condition 1 and 2.2, Part B Condition 1 and 2.2 and Part C Condition 1 and 2.2.

"**Collateral Asset Default**" is as defined in the Collateral Security Conditions, Part A Condition 7.1, Part B Condition 7.1 and Part C Condition 7.1.

"**Collateral Asset Default Date**" is as defined in the Collateral Security Conditions, Part A Condition 9.3.

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

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

"**Collateral Asset Issuer Default**" is as defined in the Collateral Security Conditions, Part A Condition 7.1.

"**Collateral Asset Linked Security**" is as defined in the Collateral Security Conditions, Part B Condition 1 and Part C Condition 1.

"**Collateral Assets**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Assets Value**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Calculation Agent**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Cash Settlement**" is as defined in the Collateral Security Conditions, Part A Condition 1 and Part C Condition 1.

"**Collateral Credit Security Settlement Date**" is as defined in the Collateral Security Conditions, Part A Condition 8.6 and Part C Condition 8.6.

"**Collateral Custodian**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Default Event**" is as defined in the Collateral Security Conditions, Part C Condition 7.1.

"**Collateral Delivery Date**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Delivery Rounding Amount**" is as defined in the Collateral Security Conditions, Part A Condition 1 and 3.6, Part B Condition 1 and 3.6 and Part C Condition 1 and 3.6.

"**Collateral Disruption**" is as defined in the Collateral Security Conditions, Part A Condition 7.1, Part B Condition 7.1 and Part C Condition 7.1.

"**Collateral Early Settlement Amount**" is as defined in the Collateral Security Conditions, Part A Condition 7.3 and Part C Condition 7.3.

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

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

"**Collateral Pool**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Proceeds Share**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Security Conditions**" is as defined in Annex 13, paragraph 1.

"**Collateral Security Credit Certificate**" is as defined in the Collateral Security Conditions, Part A Condition 1 and Part C Condition 1.

"**Collateral Settlement Disruption Event**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Collateral Split Rounding Amount**" is as defined in the Collateral Security Conditions, Part A Condition 1 and 3.8 and Part C Condition 1 and 3.8.

"**Collateral Valuation Date**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

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

"**Collective Investment Scheme**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1 and Part C Condition 1.

"**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.

"**ConstantM_a**" is as defined in Payout Condition 2.6(i).

"**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.

"**Contractual Masse**" is as defined in Condition 18.2(a).

"**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.

"**CP1**" is as defined in Payout Condition 2.6(i).

"**CP2**" is as defined in Payout Condition 2.6(i).

"**Credit Auction Settlement Amount**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E Condition 1.1.

"**Credit Cash Settlement Amount**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E 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 Observation Period End Date**" is as defined in the Credit Security Conditions, Part A Condition 13.

"**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.

"**Credit Settlement Amount**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E Condition 1.1.

"**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 and the Collateral Security Conditions, Part D Condition 1 and Part E Condition 1.

"**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 20.5.

"**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 and the Collateral Security Conditions, Part D Condition 1 and Part E Condition 1.

"Delayed Date" is as defined in Condition 4(a) and the Collateral Security Conditions, Part A Condition 11, Part B Condition 12, Part C Condition 12, Part D Condition 9 and Part E Condition 9.

"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 and ETI Security Condition 12.1.

"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).

"Delivery Share" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"Deposit" is as defined in the Credit Security Conditions, Part B, Condition 6 and the Collateral Security Conditions, Part A Condition 8.6 and Part C Condition 8.6.

"Designated Account" is as defined in Condition 4(a) the Collateral Security Conditions, Part A Condition 11, Part B Condition 12, Part C Condition 12, and Part D Condition 9 and Part E Condition 9.

"Designated Bank" is as defined in Condition 4(a) the Collateral Security Conditions, Part A Condition 11, Part B Condition 12, Part C Condition 12, and Part D Condition 9 and Part E Condition 9.

"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 22.1(ii).

"**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 ETI Security Condition 9, 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.

"**Distance_t**" is as defined in Payout Condition 2.6(i).

"**Distributed Amount**" is as defined in Share Security Condition 6.

"**Distribution Compliance Period**" is as defined in Condition 1.2(f).

"**Distribution End Date**" is as defined in the Credit Security Conditions, Part B, Condition 13.

"**Distribution Period Event Determination Date**" is as defined in the Credit Security Conditions, Part B, Condition 13.

"**Distributor**" is as defined in the Credit Security Conditions, Part B, Condition 6 the Collateral Security Conditions, Part B Condition 1, Part D Condition 9 and Part E Condition 9.

"**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 20.4(b).

"**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, ETI Security Condition 9 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 ABS Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities – Eligible Collateral Index.

"**Eligible Cash**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities – Eligible Collateral Index.

"**Eligible Collateral**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Eligible Debt Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities – Eligible Collateral Index.

"**Eligible Equity Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities – Eligible Collateral Index.

"**Eligible Fund Collateral**" is as defined in the Annex to the Additional Terms and Conditions for Secured Securities – Eligible Collateral Index.

"**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.

"**Enforcement Event**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Enforcement Expenses**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**Enforcement Notice**" is as defined in the Collateral Security Conditions, Part A Condition 1, Part B Condition 1, Part C Condition 1, and Part D Condition 1 and Part E Condition 1.

"**English Law Notes**" is as defined in the Terms and Conditions of the Notes, paragraph 4.

"**English Law Note Agency Agreement**" is as defined in the Terms and Conditions of the Notes, paragraph 5.

"**English Law Securities**" is as defined in the Terms and Conditions of the Notes, paragraph 4.

"**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, ETI Security Condition 9, ETI Security Condition 12.2(e) and Condition 6.2(b).

"**ETI Basket**" is as defined in ETI Security Condition 1.

"**ETI Correction Period**" is as defined in ETI Security Condition 9.

"**ETI Currency Change**" is as defined in ETI Security Condition 12.1.

"**ETI Documents**" is as defined in ETI Security Condition 1 and ETI Security Condition 9.

"**ETI Interest Correction Period**" is as defined in ETI Security Condition 1.

"**ETI Interest(s)**" is as defined in ETI Security Condition 1, ETI Security Condition 9, ETI Security Condition 12.2(e) and Condition 6.2(b).

"**ETI Manager**" is as defined in ETI Security Condition 9.

"**ETI Modification**" is as defined in ETI Security Condition 12.1.

"**ETI Reclassification**" is as defined in ETI Security Condition 12.1.

"**ETI Redemption or Subscription Event**" is as defined in ETI Security Condition 12.1.

"**ETI Regulatory Action**" is as defined in ETI Security Condition 12.1.

"**ETI Reporting Event**" is as defined in ETI Security Condition 12.1.

"**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.

"**ETI Strategy**" is as defined in ETI Security Condition 9.

"**ETI Strategy Breach**" is as defined in ETI Security Condition 12.1.

"**ETI Termination**" is as defined in ETI Security Condition 12.1.

"**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.

"**Euroclear France Account Holder**" is as defined in Condition 1.

"**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 and Condition 8.2.

"**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, ETI Security Condition 9, 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 and ETI Security Condition 9.

"**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 and ETI Security Condition 9.

"**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 and ETI Security Condition 9.

"**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, ETI Security Condition 9, 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, ETI Security Condition 9 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 and ETI Security Condition 12.1.

"**Extraordinary Event Effective Date**" is as defined in Share Security Condition 1 and ETI Security Condition 12.1.

"**Extraordinary External Event**" is as defined in Condition 9.1.

"**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 2.6(i), Payout Condition 3.2 and Payout Condition 3.6.

"**Floor Percentage**" is as defined in Payout Condition 2.12.

"**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).

"**French Law Notes**" is as defined in the Terms and Conditions of the Notes, paragraph 4.

"**French Law Note Agency Agreement**" is as defined in the Terms and Conditions of the Notes, paragraph 5.

"**French Law Securities**" is as defined in the Terms and Conditions of the Notes, paragraph 4.

"**Full Masse**" is as defined in Condition 18.2(b).

"**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 2.39(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 2.39(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_(i)**" 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.

"**G%**" is as defined in Payout Condition 2.6(i).

"**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.

"**General Meeting**" is as defined in Condition 18.2(a) and 18.2(b).

"**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.

"**H%**" is as defined in Payout Condition 2.6(i).

"**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).

"**HWM₀**" is as defined in Payout Condition 2.6(i).

"**HWM_t**" is as defined in Payout Condition 2.6(i).

"**HWM_{t-1}**" is as defined in Payout Condition 2.6(i).

"**HWM_{ti*}**" is as defined in Payout Condition 2.6(i).

"**HWM Value**" is as defined in Payout Condition 2.6(h).

"**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.

"**I**" is as defined in Payout Condition 2.6(i).

"**Illiquidity**" is as defined in Share Security Condition 4.1 and ETI Security Condition 12.1.

"**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_t**" is as defined in Payout Condition 2.6(a).

"**Index_{t-1}**" 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**_(base)" is as defined in Payout Condition 3.6.

"**Inflation Index**_(i)" is as defined in Payout Condition 3.6.

"**Inflation Index**_(i-1)" 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 ACT Day**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Initial Basket ER**" is as defined in Payout Condition 2.6(e).

"**Initial Basket Level**" is as defined in Payout Condition 2.6(e).

"**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.

"**Initial Underlying Reference Volatility Hedged Value**" is as defined in Payout Condition 2.6(e).

"**Initial W**" is as defined in Payout Condition 2.6(e).

"**Initial W Target**" is as defined in Payout Condition 2.6(e).

"**Insolvency**" is as defined in Share Security Condition 4.1 and ETI Security Condition 12.1.

"**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, ETI Security Condition 9 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.

"**Level_{k,t}**" is as defined in Payout Condition 2.6(e).

"**Level_{k,t-1}**" is as defined in Payout Condition 2.6(e).

"**Leverage Floating Rate**" is as defined in Payout Condition 2.6(e).

"**Leverage Floating Rate Option**" is as defined in Payout Condition 2.6(e).

"**Leverage Floating Rate Option Page**" is as defined in Payout Condition 2.6(e).

"**Leverage Floating Rate Option Time**" is as defined in Payout Condition 2.6(e).

"**Leverage Rate_{t-1}**" is as defined in Payout Condition 2.6(e).

"**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 and ETI Security Condition 12.1.

"**Listing Suspension**" is as defined in Share Security Condition 4.1 and ETI Security Condition 12.1.

"**Ln**" is as defined in Payout Condition 2.6(i).

"**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.

"**Lockin Date**" or "**ti**" is as defined in Payout Condition 2.6(i).

"**Lockin Factor**" is as defined in Payout Condition 2.6(i).

"**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, ETI Security Condition 10, Debt Security Condition 3, Commodity Security Condition 2 and Futures Security Condition 2.

"**Masse**" is as defined in Condition 18.2(a) and 18.2(b).

"**Material Change in Content**" is as defined in Commodity Security Condition 1.

"**Material Change in Formula**" is as defined in Commodity Security Condition 1.

"**Max Exposure**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Max Value_t**" is as defined in Payout Condition 2.6(i).

"**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, ETI Security Condition 12.1 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 and ETI Security Condition 12.1.

"**Min Coupon**" is as defined in Payout Condition 2.12.

"**Min Exposure**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Min Value_t**" is as defined in Payout Condition 2.6(i).

"**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 4.26 and Fund Security Condition 2.39.

"**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.

"**Multiplier_t**" is as defined in Payout Condition 2.6(i).

"**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) and in Payout Condition 2.6(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 and in Payout Condition 2.6(e).

"**Nationalisation**" is as defined in Share Security Condition 4.1 and ETI Security Condition 12.1.

"**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).

"**N^k**" is as defined in Payout Condition 2.6(i).

"**N_{NRU}**" is as defined in Payout Condition 2.6(i).

"**No Auction Announcement Date**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Non-Approval Event**" is as defined in Condition 9.1.

"**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.

"**N_{RU}**" is as defined in Payout Condition 2.6(i).

"**NRU₀**" is as defined in Payout Condition 2.6(i).

"**NRU Basket**" is as defined in Payout Condition 2.6(i).

"**NRU_t**" is as defined in Payout Condition 2.6(i).

"**NRU_{t-1}**" is as defined in Payout Condition 2.6(i).

"**NRU_t^k**" is as defined in Payout Condition 2.6(i).

"**NRU_{t-1}^k**" is as defined in Payout Condition 2.6(i).

"**NS_k^t**" is as defined in Payout Condition 2.6(e).

"**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.

"**Obligor Early Redemption Event**" is as defined in Collateral Security Condition, Part D, Condition 1.1 and Part E, Condition 1.1.

"**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), ETI Security Condition 6.2(a)(ii) and ETI Security Condition 12.2(d).

"**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.

"**Other Early Redemption Event**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E Condition 1.1.

"**Outstanding Amount**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Outstanding Bonus Coupon Rate**" is as defined in Credit Security Condition, 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.

"**PA**" 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 5.12.

"**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 8.2.

"**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.

"**P_k**" is as defined in Payout Condition 2.6(e).

"**P_{NRU}^k**" is as defined in Payout Condition 2.6(i).

"**P_{RU}^k**" is as defined in Payout Condition 2.6(i).

"**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, ETI Security Condition 3 and ETI Security Condition 11.

"**Potential Adjustment Event Effective Date**" is as defined in Share Security Condition 3, ETI Security Condition 3 and ETI Security Condition 11.

"**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.

"Proceedings" is as defined in Condition 22.2.

"Prospectus Directive" is as defined in Terms and Conditions of the Notes, paragraph 2.

"Protected Amount" is as defined in ETI Security Condition 1, ETI Security Condition 9 and Fund Security Condition 1.

"Protection Fees" is as defined in Payout Condition 2.6(i).

"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 and 2.6(e).

"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.

"**Rate Calculation Date**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**RCA Maturity Call Option Event**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E Condition 1.1.

"**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.

"**Received Collateral**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E 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/Holder Merger**" is as defined in Credit Security Condition, Part A Condition 13.

"**Reference Entity/Issuer Merger**" is as defined in Credit Security Condition, Part A Condition 13.

"**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 Floating Rate**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Reference Floating Rate Option**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Reference Floating Rate Option Page**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Reference Floating Rate Option Time**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Reference Rate**" is as defined in Payout Condition 2.6(e).

"**Reference Rate Determination Agent**" is as defined in Condition 3.4(c)(iii).

"**Reference Rate**_{t-1}^k" is as defined in Payout Condition 2.6(i).

"**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.

"**Regulated Entity**" is as defined in Condition 23.2

"**Regulation S**" is as defined in Condition 1.2(f).

"**Rejection Event**" is as defined in Condition 9.1.

"**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, ETI Security Condition 1 and ETI Security Condition 9.

"**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_(i)**" 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) and Condition 13.

"**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 and ETI Security Condition 12.1.

"**Relevant Price**" is as defined in Commodity Security Condition 1.

"**Relevant Resolution Authority**" is as defined in Condition 23.2.

"**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.

"**Replacement Reference Rate**" is as defined in Condition 3.4(c)(iii).

"**Replacement Underlying Reference Rate**" is as defined in Underlying Interest Security Condition 3(c).

"**Representative**" is as defined in Condition 18.2(a) and 18.2(b).

"**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.

"**Resetable Knock-in Period**" is as defined in Currency Security Condition 1;

"**Resetable Knock-out Period**" is as defined in Currency Security Condition 1;

"**Resetable 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.

"**Risky Fees**" is as defined in Payout Condition 2.6(i).

"**RU₀**" is as defined in Payout Condition 2.6(i).

"**RU Basket**" is as defined in Payout Condition 2.6(i).

"**Rules**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**RU_t**" is as defined in Payout Condition 2.6(i).

"**RU_{t-1}**" is as defined in Payout Condition 2.6(i).

"**RU_t^{kn}**" is as defined in Payout Condition 2.6(i).

" RU_{t-1}^k " is as defined in Payout Condition 2.6(i).

"S&P" is as defined in ETI Security Condition 4.26 and Fund Security Condition 2.39.

"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 ETI Security Condition 9, 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 and ETI Security Condition 9.

"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 and ETI Security Condition 9.

"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 and ETI Security Condition 9.

"Scheduled Trading Day (Single Future Basis)" is as defined in Futures Security Condition 1.

"Scheduled Trading Day (Single Index Basis)" is as defined in Index Security Condition 1.

"Scheduled Trading Day (Single Share Basis)" is as defined in Share Security Condition 1.

"Scheduled Underlying Reference Linked Payment" is as defined in the Collateral Security Conditions, Part B, Condition 1, Part C, Condition 9.

"Screen Page Reference Rate" is as defined in Condition 3.4(c)(i).

"SEC" is as defined in ETI Security Condition 12.1.

"**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 Interests**" is as defined in the Collateral Security Conditions, Part A, Part B and Part C, and Part D and Part E, Condition 1.

"**Security MTM Termination Amount**" is as defined in the Collateral Security Conditions, Part B, Collateral Security Condition 1 and Collateral Security Condition 9, Collateral Security Condition 10, and in the Collateral Security Conditions, Part C, Condition 9.

"**Security Realised Amount**" is as defined in the Collateral Security Conditions, Part A, Part B, Part C and Part D, Condition 1 and in the Collateral Security Conditions, Part A, Part B, Part C, Condition 3.5 and Part D and Part E, Condition 7.4.

"**Security Termination Amount**" is as defined in the Collateral Security Conditions, Part A, Part B, Part C, and Part D and Part E, Condition 1 and in the Collateral Security Conditions, Part B, Condition 10 and in the Collateral Security Conditions, Part C, Condition 9.2.

"**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) and ETI Security Condition 12.2(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 ETI Security Condition 9, 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 ETI Security Condition 9, 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 ETI Security Condition 9, 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(d), 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).

"**Shortfall**" is as defined in the Collateral Security Conditions, Part A, Part B, Part C, and Part D and Part E, Condition 1 and in the Collateral Security Conditions, Part A, Part B and Part C, Condition 3.5 and in the Collateral Security Conditions, Part D and Part E, Condition 7.4.

"**Significant Alteration Event**" is as defined in Condition 9.1.

"**Similar Reference Entity**" is as defined in Credit Security Condition, Part A Condition 13.

"**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.

"**Single Resolution Mechanism Regulation**" is as defined in Condition 23.2.

"**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).

"**Spread_(i)**" is as defined in Payout Condition 3.2.

"**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 5.12.

"**SPS APS Valuation Period**" is as defined in Condition 5.12.

"**SPS APS Value**" is as defined in Condition 5.12.

"**SPS AR Valuation Date**" is as defined in Condition 5.6.

"**SPS AR Valuation Period**" is as defined in Condition 5.6.

"**SPS AR Value**" is as defined in Condition 5.6.

"**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 Early Redemption Event**" is as defined in Collateral Security Condition, Part D Condition 1.1 and Part E Condition 1.1.

"**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.

"**Step**" is as defined in Payout Condition 2.6(i).

"**Steps Plan**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**Stop-Loss Event**" is as defined in Condition 9.1.

"**Strategy Business Day**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Strategy Business Day Centre(s)**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**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 20.3 and Condition 20.5.

"**Substitute Asset**" or the "**Substitute Assets**" is as defined in Condition 4(b)(iii).

"**Substitute BNPP Guarantor**" is as defined in Condition 20.4.

"**Substitute BNPP Guarantee**" is as defined in Condition 20.4(b).

"**Substitute Commodity**" is as defined in Commodity Security Condition 3(b).

"**Substitute ETI Interest**" is as defined in ETI Security Condition 6.2(b) and ETI Security Condition 12.2(e).

"**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(d) 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, ETI Security Condition 12.2(e), 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 and in the Collateral Security Conditions, Part A and Part C, Condition 8.6 and Part D and Part E, Condition 1.1.

"**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(c).

"**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.

"**Suspension/Withdrawal Event**" is as defined in Condition 9.1.

"**Swap Agreement**" is as defined in the Collateral Security Conditions, Part A, and Part D and Part E, Condition 1.

"**Swap Counterparty**" is as defined in the Collateral Security Conditions, Part A, and Part D and Part E, Condition 1.

"**Swap Counterparty Priority of Payments**" is as defined in the Collateral Security Conditions, Part A and, Part D and Part E, Condition 1.

"**T**" is as defined in Payout Condition 2.12.

"**Talisman Securities**" is as defined in Payout Condition 2.2(d)(iv).

"**Talisman Value_(k)**" is as defined in Payout Condition 2.2(d)(iv).

"**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.

"**Target Volatility**" is as defined in Payout Condition 2.6(e).

"**Target Volatility_t**" is as defined in Payout Condition 2.6(i).

"**Target Volatility_t^k**" is as defined in Payout Condition 2.6(i).

"**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, ETI Security Condition 12.1 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.

"**ti***" is as defined in Payout Condition 2.6(i).

"**Tolerance**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**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, ETI Security Condition 9, 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.

"**Undelivered Equivalent Securities**" is as defined in Collateral Security Condition, Part D Condition 5.4 and Part E Condition 5.4.

"**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_(k,i)**" 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 Rate Determination Agent**" is as defined in Underlying Interest Security Condition 3(c).

"**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 TIPP Value**" is as defined in Payout Condition 2.6(f).

"**Underlying Reference TIPP Value₀**" is as defined in Payout Condition 2.6(i).

"**Underlying Reference TIPP Value_{t-1}**" is as defined in Payout Condition 2.6(i).

"**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 Valuation Date**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Underlying Reference Value**" is as defined in Payout Condition 2.6(b).

"**Underlying Reference Volatility Hedged Value**" is as defined in Payout Condition 2.6(e).

"**Underlying Reference Volatility Hedged Value_{t-1}**" is as defined in Payout Condition 2.6(e).

"**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.

"**Value_a**" as defined in Payout Condition 2.6(i).

"**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).

"**Vol_{20,t}**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Vol_{20,t}^{kn}**" is as defined in Payout Condition 2.6(i).

"**Vol_{60,t}**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**Vol_{60,t}^{kn}**" is as defined in Payout Condition 2.6(i).

"**Voting Shares**" is as defined in the Credit Security Conditions, Part A, Condition 13.

"**VRealized_t**" is as defined in Payout Condition 2.6(i).

"**VRealized_t^{kn}**" is as defined in Payout Condition 2.6(i).

"**W**" is as defined in Payout Condition 3.6.

"**W₀**" is as defined in Payout Condition 2.6(i).

"**Waived Set-off Rights**" is as defined in Condition 2.

"**W_t**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**W_t^{Target}**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**W_{t-1}**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**W_{t-1}^{Target}**" is as defined in Payout Condition 2.6(e) and Payout Condition 2.6(i).

"**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).

"**Y%**" is as defined in Payout Condition 2.6(i).

"**Worst Intraday Value**" is as defined in Payout Condition 2.6(c).

"**Worst Performing Underlying Reference Closing Value_(i)**" 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 ("**ER**"), Total Return ("**TR**"), Price Return ("**PR**"), Adjusted Return ("**AR**") or Cash Less ("**CL**") (each a "**Cash Kind**"). As a consequence, if the Index is an "Excess Return" index, the level of the index will reflect the performance of the strategy of the index above an applicable money market rate. If the Index is a "Total Return" index, the level of the index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be declared or/paid by underlying index components). If the Index is a "Price Return" index, the level of the index will reflect a value assuming no reinvestment of dividends or distributions (declared/paid by underlying index components). If the Index is an "Adjusted Return" Index, the level of the Index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be, declared or paid), by underlying index components and the deduction of an applicable adjustment factor. At last, if the Index is a "Cashless" index as it is constituted of components that require little or no cash to hedge in order to obtain the economic exposure and risk required by the index strategy, the level of the index will not take into account money market interest that would be ordinarily be payable when hedging the performance of an index which would require a cash investment equal to the value of the Index.

If any Index component (the "**Index Component**") of an Index ceases to exist or is, or would be, subject to an adjustment pursuant to the provisions of the Index rules in respect of that Index Component, the Index Calculation Agent may acting in good faith and in a commercially reasonable manner (a) effect no change to the Index, (b) adjust the Index as it deems appropriate including, but not limited to, replacing such Index Component with a replacement Index Component or the Index Calculation Agent and the Index Sponsor may continue to calculate and publish (as applicable) the Index without such Index Component or any replacement therefore, subject to the BNP Paribas Index proprietary methodology (the "**Index Methodology**"), or (c) terminate the Index. The aim of the Index Calculation Agent when making any such operational adjustments is to ensure that, so far as possible, the basic principles and economic effect of the Index are maintained.

Following the Index Start Date, the Index Calculation Agent shall review the composition of the Index and the Index weightings of the Index Components within the Index on an ongoing basis and in accordance with the Index Methodology comprised into the Index rules (the "**Rules**") governing the Index.

1. **GURU Indices**
2. **Thematic Mutual Fund Indices**
3. **Thematic Equity Indices**
4. **Fixed Exposure Indices**
5. **Risk Control Indices**

6. **Millenium Indices**
 7. **Platinum Indices**
 8. **Harbour Indices**
 9. **Flexinvest Indices**
 10. **Volatility Indices**
 11. **Buy Write Indices**
 12. **Alternative Strategy Indices**
 13. **Liberty Indices**
 14. **Alternative Synthetic Tracker Indices**
 15. **Daily Weekly Indices**
 16. **Commodity Indices**
1. GURU Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure (" 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the GURU Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas GURU Europe 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	Solactive	GEL10MAER
BNP Paribas GURU Europe Long ER 15 EUR	EUR	Long	ER	Europe	0%	150%	15%	BNPGEL15	Solactive	GEL15MAER
BNP Paribas GURU Europe Long/Short TR EUR	EUR	Long/Short	TR	Europe	0%	100%	10%	BNPGELST	Solactive	GELSTMAT R
BNP Paribas GURU Europe Long/Short ER EUR	EUR	Long/Short	ER	Europe	0%	100%	10%	BNPGELSE	Solactive	GELSEMAE R
BNP Paribas GURU US Long TR USD	USD	Long	TR	US	70%	100%	32%	BNPGULTR	Solactive	GULTMTR
BNP Paribas GURU US Long ER 10 USD	USD	Long	ER	US	0%	150%	10%	BNPGUL10	Solactive	GUL10MAE R
BNP Paribas GURU US Long ER 15 USD	USD	Long	ER	US	0%	150%	15%	BNPGUL15	Solactive	GUL15MAE R
BNP Paribas GURU US Long/Short TR USD	USD	Long/Short	TR	US	0%	100%	10%	BNPGULST	Solactive	GULSTMAT R
BNP Paribas GURU US Long/Short ER USD	USD	Long/Short	ER	US	0%	100%	10%	BNPGULSE	Solactive	GULSEMAE R
BNP Paribas GURU Asia ex Jp Long TR USD	USD	Long	TR	Asia	70%	100%	32%	BNPGALTR	Solactive	GAL2TR
BNP Paribas GURU Asia ex Jp ex India Long ER 15 USD	USD	Long	ER	Asia	0%	100%	15%	BNPIGA15	BNP Paribas	GAXI15ER
BNP Paribas GURU Asia ex Jp ex India Long ER 20 USD	USD	Long	ER	Asia	0%	100%	20%	BNPIGA20	BNP Paribas	GAXI20ER
BNP Paribas GURU Global Emerging Long TR USD	USD	Long	TR	Emerging Markets	70%	100%	32%	BNPIGEMT	Solactive	GEMTTR
BNP Paribas GURU Global Emerging Long ER 18 USD	USD	Long	ER	Emerging Markets	0%	100%	18%	BNPIGE18	BNP Paribas	GE18ER
BNP Paribas GURU World Developed Long TR USD	USD	Long	TR	World Developed	70%	100%	32%	BNPIGWDT	Solactive	GWDTTR
BNP Paribas GURU World Developed Long ER 10 USD	USD	Long	ER	World Developed	0%	100%	10%	BNPIGD10	BNP Paribas	GWD10ER
BNP Paribas GURU World Developed Long ER 15 USD	USD	Long	ER	World Developed	0%	100%	15%	BNPIGD15	BNP Paribas	GWD15ER
BNP Paribas GURU All	USD	Long	TR	Worldwide	70%	100%	32%	BNPIGWAT	Solactive	GWATTR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Country Long TR USD										
BNP Paribas GURU All Country Long ER 10 USD	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGW10	BNP Paribas	GWA10ER
BNP Paribas GURU All Country Long ER 15 USD	USD	Long	ER	Worldwide	0%	100%	15%	BNPIGW15	BNP Paribas	GWA15ER
BNP Paribas Conviction Action Monde ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPICAWD	BNP Paribas	CAWDER
BNP Paribas Conviction Action Europe ER	EUR	Long	ER	Europe	0%	100%	10%	BNPICAEU	BNP Paribas	CAEUER
BNP Paribas GURU All Country volcap 10 ER EUR ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPIGWEE	BNP Paribas	GWEEER
GURU L/S volcap 7 TR EUR	EUR	Long/Short	TR	Europe+US	0%	100%	7%	BNPILSTR	Solactive	GLSTMATR
GURU L/S volcap 7 ER EUR	EUR	Long/short	ER	Europe+US	0%	100%	7%	BNPILSER	Solactive	GLSEMAER
GURU L/S volcap7 ER USD	USD	Long/short	ER	Europe+US	0%	100%	7%	BNPI50EU	BNP Paribas	GLSEUMAE R
GURU L/S volcap7 TR USD	USD	Long/Short	TR	Europe+US	0%	100%	7%	BNPI50TU	BNP Paribas	GUGLSTTR
GURU L/S volcap 7 ER HUF ER	HUF	Long/Short	ER	Europe+US	0%	100%	7%	BNPILSEH	BNP Paribas	GULSEHER
BNPP GURU Europe isovol 15 ER Net	EUR	Long	ER	Europe	0%	150%	15%	BNPIGE15	BNP Paribas	GE15MARKI TER
BNPP GURU Europe isovol 10 ER Net	EUR	Long	ER	Europe	0%	150%	10%	BNPIGE10	BNP Paribas	GE10MARKI TER
BNPP GURU US isovol 15 ER Net	EUR	Long	ER	US	0%	150%	15%	BNPIGU15	BNP Paribas	GU15ER
BNPP GURU US isovol 15 ER Net (RUB)	RUB	Long	ER	US	0%	150%	15%	BNPIGR15	BNP Paribas	GR15ER
Guru Asia x Japan x India Naked Net USD TR	USD	Long	TR	Asia	0%	100%	15%	BNPIGAXI	Solactive	GAXITR
GURU Global Emerging 6% Volatility target	USD	Long	ER	Emerging Markets	0%	100%	6%	BNPIGEM6	Solactive	GEM61ER
Guru All Country Total Return USD Net TR	USD	Long	TR	Worldwide	0%	100%	10%	BNPIGWAN	Solactive	GWANTR
Guru World Developed Naked Net TR	USD	Long	TR	World Developed	0%	100%	10%	BNPIGWDN	Solactive	GWDNTR
Guru Asia x Japan Naked Gross TR Index	USD	Long	TR	Asia	0%	100%	32%	BNPGALGT	Solactive	GALGTR
Guru Asia x Japan x India Naked Gross TR Index	USD	Long	TR	Asia	0%	100%	NA	BNPIGAXG	Solactive	GAXGTR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Guru Global Emerging Gross TR Index	USD	Long	TR	Emerging Markets	0%	100%	NA	BNPIGEMG	Solactive	GEMGTR
Guru Europe short naked TR Index	EUR	Long	TR	Europe	0%	100%	NA	BNPGESTR	Solactive	GESTR
Guru US long naked TR Index	USD	Long	TR	US	0%	100%	NA	BNPGULNT	Solactive	GULNTTR
Guru US short naked TR Index	USD	Long	TR	US	0%	100%	NA	BNPGUSTR	Solactive	GUSTR
Guru All Country Total Return USD Gross TR	USD	Long	TR	Worldwide	0%	100%	32%	BNPIGWAG	Solactive	GWAGTR
Guru Global Developed Naked Gross TR	USD	Long	TR	World Developed	0%	100%	NA	BNPIGWDG	Solactive	GWDGTR
BNP Paribas High Dividend Yield Europe TR EUR index	EUR	Long	TR	Europe	0%	100%	NA	BNPIHDEN	Solactive	HDENTR
Guru All Country Islamic Vol Cap 10 USD ER	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGI10	BNP Paribas	GI10ER
Guru All Country Islamic Total Return USD Gross	USD	Long	TR	Worldwide	100%	100%	NA	BNPIGWIG	Solactive	GWIGTR
BNP Paribas Low Volatility Risk Premium Long Factor Europe TR Index	EUR	Long	TR	Europe	100%	100%	NA	BNPILVLF	BNP Paribas	LVLFTR
BNP Paribas Low Volatility Risk Premium Europe ER Index	EUR	Long	ER	Europe	100%	100%	NA	BNPILVRP	BNP Paribas	LVRPER
Markit Guru Long Europe Naked TR	EUR	Long	TR	Europe	100%	100%	NA	BNPGELNT	Solactive	GELNMTR
BNP Paribas Guru Global Emerging Net Index	USD	Long	TR	Emerging Markets	100%	100%	NA	BNPIGEMN	Solactive	GEMN
BNP Paribas High Dividend Yield US TR USD index	USD	Long	TR	US	100%	100%	NA	BNPIHDUN	Solactive	HDUNTR
BNP Paribas GURU L/S Market Neutral volcap 7 ER Index	EUR	Long/Short	ER	Europe + US	0%	100%	7%	BNPILSNE	BNP Paribas	LSNEER
BNP Paribas Equity Value US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFVUG Index	Solactive AG	CI_FVUGTR
BNP Paribas Equity Momentum US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFMUG Index	Solactive AG	CI_FMUGTR
BNP Paribas Equity Low Vol US (EUR-Hedged) Index	EUR	Long	TR	US	100%	100%	NA	BNPIFLVH Index	BNP Paribas Arbitrage SNC	CI_FLVHTR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas DEFI Equity US Long Gross TR	USD	Long	TR	US	100%	100%	NA	BNPIDFUG Index	BNP Paribas Arbitrage SNC	CI_BNPIDFUG
BNP Paribas Equity Quality US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFQUG Index	Solactive AG	CI_FQUGTR
BNP Paribas Equity Low Vol US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFLUG Index	Solactive AG	CI_FLUGTR
BNP Paribas Equity High Dividend Europe LS (ER) Index	EUR	Long/short	ER	Europe	0%	0%	NA	BNPIHELE Index	BNP Paribas Arbitrage SNC	CI_HELEER
BNP Paribas Equity High Dividend US LS (ER) Index	USD	Long/short	ER	US	0%	0%	NA	BNPIHULE Index	BNP Paribas Arbitrage SNC	CI_HULEER
BNP Paribas Equity GURU Europe LS (ER) Index	EUR	Long/short	ER	Europe	0%	0%	NA	BNPIGELE Index	BNP Paribas Arbitrage SNC	CI_GELEER
BNP Paribas Equity GURU US LS (ER) Index	USD	Long/short	ER	US	0%	0%	NA	BNPIGULE Index	BNP Paribas Arbitrage SNC	CI_GULEER
BNP Paribas Equity Low Vol Germany Index	EUR	Long	TR	Europe	0%	0%	NA	BNPIFLVG Index	Solactive AG	CI_BNPIFLVG
BNP Paribas Equity Quality Buyback Eurozone Index	EUR	Long	TR	Europe	0%	0%	NA	BNPIBUYE Index	BNP Paribas Arbitrage SNC	CI_BUYENTR
BNP Paribas High Dividend Yield Eurozone Equity Price Return Index	EUR	Long	TR	Europe	0%	0%	NA	BNPIHEZP Index	Solactive AG	CI_HEZPPR
BNP Paribas GURU® Equity L/S TR EUR Index	EUR	Long/short	TR	Europe+US	0%	30%	7%	BNPIGLST Index	BNP Paribas Arbitrage SNC	CI_GLSTTR
BNP Paribas GURU® Equity L/S ER Index	EUR	Long/short	ER	Europe+US	0%	30%	7%	BNPIGLSE Index	BNP Paribas Arbitrage SNC	CI_GLSEER
BNP Paribas DEFI Equity World Market Neutral 2X TR Index	USD	Long/short	TR	World Developed	0%	0%	NA	BNPIDWM2 Index	BNP Paribas Arbitrage SNC	CI_BNPIDWM2
BNP Paribas DEFI Equity World Long Net TR	USD		TR	World Developed	100%	100%	NA	BNPIDFWT Index	BNP Paribas Arbitrage SNC	CI_BNPIDFWT
BNP Paribas DEFI Equity World Market	USD	Long/short	TR	World Developed	0%	0%	NA	BNPIDWMN Index	BNP Paribas Arbitrage SNC	CI_BNPIDWMN

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Neutral TR										
BNP Paribas DEFI Equity Europe Market Neutral TR	EUR	Long/short	TR	Europe	0%	0%	NA	BNPIDEMN Index	BNP Paribas Arbitrage SNC	CI_BNPIDEMN
BNP Paribas DEFI Equity US Market Neutral TR	USD	Long/short	TR	US	0%	0%	NA	BNPIDUMN Index	BNP Paribas Arbitrage SNC	CI_BNPIDUMN
BNP Paribas DEFI Equity World Market Neutral ER 5%	USD	Long/short	ER	World Developed	0%	100%	5%	BNPIDWE5 Index	BNP Paribas Arbitrage SNC	CI_BNPIDWE5
BNP Paribas DEFI Equity Europe Market Neutral ER 5%	EUR	Long/short	ER	Europe	0%	100%	5%	BNPIDEE5 Index	BNP Paribas Arbitrage SNC	CI_BNPIDEE5
BNP Paribas DEFI Equity US Market Neutral ER 5%	USD	Long/short	ER	US	0%	100%	5%	BNPIDUE5 Index	BNP Paribas Arbitrage SNC	CI_BNPIDUE5

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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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	FEEEER
BNP Paribas Flexible Fund Stars ER	EUR	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLST	FLSTER
BNP Paribas Star Absolute Return Funds CNSL Index ER	EUR	ER	Absolute Return	0%	150%	6.00%	BNPICNSL	CNSLER
BNP Paribas LATAM Equity Funds ER USD Index ER	USD	ER	LATAM	0%	150%	18.00%	BNPILAUE	LAUER
BNP Paribas EM Square Index ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEME2	EME2ER
BNP Paribas Flexible Star Managers (PLN Hedged) Index ER	PLN	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSM	FLSMER
BNP Paribas Flexible Fund Stars Index (GBP) ER	GBP	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSG	FLSGER
BNP Paribas SLI Enhanced Absolute Return Index EUR TR	EUR	TR	Absolute Return	0%	150%	15.00%	BNPIGARE	GARPR
BNP Paribas Emerging Markets Debt & Equity Funds Index USD ER	USD	ER	Emerging Markets	0%	150%	10.00%	BNPIEMUE	EMUEER
BNP Paribas Emerging Markets Debt & Equity Funds EUR Hedged ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEMEE	EMEEER
BNP Paribas Russia Funds Index EUR Hedged ER	EUR	ER	Russia	0%	150%	18.00%	BNPIRUEE	RUEEER
BNP Paribas Africa Funds Index EUR ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFEE	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%	BNPICIU	CIUER
BNP Paribas Real Estate Funds USD Hedged Index ER	USD	ER	Real Estate	0%	150%	5.00%	BNPIREUE	REUEER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
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%	NA	25.00%	BNPIDNRE	DNRRER
BNP Paribas Gold & Precious Metals Funds USD Hedged ER Index ER	USD	ER	Commodity	0%	150%	15.00%	BNPIGPUE	GPUER
Dobrynia Index USD ER	USD	ER	Dobrynia funds	0%	NA	25.00%	BNPIDNUR	DNUER
GOVERNMENT BOND FUND INDEX ER	EUR	ER	Government Bond	100%	100%	NA	BNPIGBTE	GBER
BNP Paribas Emerging Market Corporates Debt EUR ER Index ER	EUR	ER	Emerging Markets	0%	150%	4.00%	BNPIECEEE	ECEEER
Indeks Funduszy Rynkow Wschodzacych ER	PLN	ER	Rynkow Wschodzacych funds	0%	150%	8.00%	ENHAEMPL	ENHAEMPL9ER
Cadiz SA tracker Risk Controlled 15% Index ER	ZAR	ER	South Africa	0%	100%	15.00%	BNPICSAE	CSAEER
Flexible Fund Stars Index (SEK)	SEK	ER	Flexible Star Managers	0%	150%	5.00%	ENHAFLST	ENHAFLSTER
KRW FX-Hedge on BNPIAFE2	KRW	ER	Africa	0%	150%	15.00%	ENHASHAF	ENHASHAFER
ABN AMRO Top Fixed Income Funds EUR Index	EUR	ER	Global Bonds	0%	150%	4.00%	ENHAATFE	ENHAATFEER
ABN AMRO Top Fixed Income Funds USD Index	USD	ER	Global Bonds	0%	150%	4.00%	ENHAATFU	ENHAATFUER
ABN AMRO Top Fixed Income Funds AED Index	AED	ER	Global Bonds	0%	150%	4.00%	ENHAATFA	ENHAATFAER
BNP Paribas Emerging Markets Local Debt Funds USD Index	USD	ER	Emerging Markets	0%	150%	5.50%	BNPIEMLU	EMLUER
FWR Emerging markets growth opportunities	EUR	TR	Emerging Markets	0%	150%	10.00%	BNPIEMGO	EMGOTR
BNP Paribas Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	150%	4.50%	BNPIICSR	ICSRER
BNP Paribas Flexible Fund Stars Index (USD)	USD	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLSU	FLSUER
Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	150%	5.00%	ENHASTAR	ENHASTAR3ER
African Exposure Fund Index	SEK	ER	Africa	0%	150%	15.00%	ENHAAFSE	ENHAAFSEER
BNP Paribas Newcits Fund Stars Index	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPINUST	NUST1ER
Open High Yield	EUR	ER	Mutual Fund	0%	150%	4.50%	ENHAOHY	ENHAOHY1ER
Global Diversified Funds Index	PLN	ER	Mutual Fund	0%	100%	10.00%	ENHAGDFI	GDFIER
Diversified Selected	HUF	ER	Mutual	0%	100%	10.00%	ENHADSFE	DSFEER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Funds ER Index			Fund					
Alfa Capital Balanced Funds VC Strategy	EUR	TR	Mutual Fund	0%	150%	7.00%	ENHAACBF	ENHAACBFTR
Globalny Portfel Modelowy ER	PLN	ER	Mutual Fund	0%	150%	6.00%	ENHAPORT	ENHAPORTER
Hungarian Selected Funds ER Index	HUF	ER	Mutual Fund	0%	100%	10.00%	ENHASUQU	ENHASUQU2ER
Wealth Options BNPP Global Star Performers Index	EUR	TR	Mutual Fund	0%	100%	NA	BNPIGSP	IGSPITR
Stabilna Strategia	PLN	TR	Mutual Fund	0%	100%	8.00%	BNPIPZUF	PZUFER
Alternative Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	4.00%	ENHAALFI	ALFIER
BNP Paribas Real Estate (EUR) ER Index	EUR	ER	Real Estate	0%	150%	10.00%	BNPIREEE	REEEER
BNP Paribas Real Estate Funds RUB Index	RUB	ER	Real Estate	0%	150%	10.00%	BNPIRERE	REREER
BNP Paribas Newcits Fund Stars Series 2 Index	EUR	ER	Mutual Fund	0%	150%	4.00%	BNPIN2ST	N2STER
BNP Paribas Income Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	4.50%	BNPIICSU	ICSUER
Bond Funds Target Vol Index	RUB	ER	Bond Mutual Funds	0%	150%	4.50%	ENHAPFTV	ENHAPFTVER
BNP Paribas Fd - Income Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	4.50%	BNPIICFT	ICFTER
BNP Paribas Fd – Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	150%	4.50%	BNPIICFR	ICFR
BNP Paribas Fd - Income Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	450.00%	BNPIICFU	ICFUER
BNP Paribas Fd - Flexible Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIFLFT	FLFTER
BNP Paribas Fd - Flexible Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	5.00%	BNPIFLFU	FLFUER
BNP Paribas Fd - Newcits- Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	4.00%	BNPIN2FT	N2FTER
BNP Paribas Fd - Newcits Fund Stars Series 2 Index (USD)	USD	ER	Star managers	0%	150%	4.00%	BNPIN2FU	N2FUER
BNP Paribas Fd - Emerging Market Debt & Equity Funds Index (RUB)	RUB	ER	Emerging Markets Corporate Debt	0%	150%	10.00%	BNPIEMFR	EMFRER
BNP Paribas Fd - Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	150%	5.00%	BNPIFLFG	FLFGER
Global Fixed Income Funds Index	USD	ER	Fixed Income	0%	150%	3.50%	ENHAGFIF	GFIFER
BNPP Global Dividend Funds Index	EUR	ER	Dividends	0%	150%	4.00%	BNPIGDFI	BNPIGDFIER
BNP Paribas Newcits Fund Stars Series 2 Index (USD)	USD	ER	Flexible Star Managers	0%	150%	4.00%	BNPIN2SU	N2SUER
BNP New Technology USD ER Index	USD	ER	New Technology	0%	150%	10.00%	BNPINTER	BNPINTER
BNP PBS Multi Asset	EUR	ER	Multi ASSET	0%	150%	9.00%	BNPIPBSM	BNPIPBSMER
Stabilna Strategia Plus	PLN	ER	Strategy	0%	100%	9.00%	BNPIPZU2	PZU2ER
Alternative Star Funds Index	PLN	ER	Flexible Star Managers	0%	150%	4.00%	ENHAASFI	ASFIER
Diversified Selected Funds II ER	HUF	ER	Diiversified	0%	100%	10.00%	ENHADS2F	DS2FER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Globalna Strategia	PLN	ER	Strategy	0%	100%	9.00%	ENHAGLST	ENHAGLSTER
Advanced Fund Index	EUR	ER	Advanced	0%	100%	NA	ENHAMANF	ENHAMANFER
Newcits Selection Index	EUR	ER	Flexible Star Managers	0%	150%	3.00%	ENHANEWC	ENHANEWCER
BNP Paribas Fd - Emerging Markets Debt & Equity Funds Index (EUR)	EUR	ER	Emerging Market	0%	150%	10.00%	BNPIEMFT	EMFTER
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield	0%	150%	3.00%	BNPIHIFT	HIFTER
BNP Paribas Fd – Strategic Bond Fund Stars Index (EUR)	EUR	ER	High Yield	0%	150%	2.50%	BNPISBFT	SBFTER
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (EUR)	EUR	ER	Emerging Market	0%	150%	4.00%	BNPIECFT	ECFTER
Alternative Funds Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.00%	ENHAALFE	ALFEER
BNP Paribas Fd –Africa Equities Funds Index (EUR)	EUR	ER	Africa	0%	150%	15.00%	BNPIAEFT	AEFT
BNP Paribas Fd –Africa Equities Funds Index (SEK)	SEK	ER	Africa	0%	150%	15.00%	BNPIAEFS	AEFS
BNP Paribas Fd - Real Estate Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIREFT	BNPIREFT
BNP Paribas Fd - Real Estate Funds Index (USD)	USD	ER	Real Estate	0%	150%	10.00%	BNPIREFU	BNPIREFU
Newcits II Fund Index (SEK)	SEK	ER	Mutual Fund	0%	150%	4.00%	ENHAALF2	ALF2ER
BNP Paribas MS - Income Fund Stars Series 2 Index (EUR)	EUR	ER	Income Funds	0%	150%	5.00%	BNPI2CMT	2CMTER
BNP Paribas MS- Income Fund Star Series 2 Index (USD)	USD	ER	Income Funds	0%	150%	5.00%	BNPI2CMU	2CMUER
BNP Paribas Ms – MultiStrat Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFT	MSFT
Newcits Absolute Return Fund Index	SEK	ER	Mutual Funds	0%	150%	4.00%	ENHAALFAR	ALFARER
BNP Paribas MS – Newcits Fund Stars 3 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	3.50%	BNPIN3FT	N3FTER
BNP Paribas MS – Newcits Fund Stars 3 Index (USD)	USD	ER	Newcits Funds	0%	150%	3.50%	BNPIN3FU	N3FUER
Stars Select Fund Index (EUR)	EUR	ER	Newcits Funds	0%	150%	3.50%	ENHA2SFE	ENHA2SFE
Stars Select Fund Index (SEK)	SEK	ER	Newcits Funds	0%	150%	3.50%	ENHA2SFS	ENHA2SFS
ISCS Top Stocks Fund – Risk Controlled Index	CZK	TR	Mutual Fund	0%	125%	15.00%	BNPISCST	SCST
BNP Paribas Ms – MultiStrat Fund Stars Index (USD)	USD	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFU	MSFU
Income Fund Champions Index	EUR	ER	Income	0%	150%	5.00%	ENHAINCH	INCHER
BNP Paribas MS - Newcits Fund Stars 3 Index (DKK)	DKK	ER	Absolute return	0%	150%	3.50%	BNPIN3FD	N3FD
BNP Paribas MS - Newcits Fund Stars 3 Index (SEK)	SEK	ER	Absolute return	0%	150%	3.50%	BNPIN3FS	N3FS
Fund Volatility Target	KRW	ER	Fixed	0%	100%	4.00%	ENHAFVTK	ENHAFVTK

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Strategy KRW Index			Income					
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)	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFT	HEFTER
BNP Paribas Fd - High yield and emerging bond funds Index (USD)	USD	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFU	HEFU
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (USD)	USD	ER	Emerging Market	0%	150%	4.00%	BNPIECFU	ECFU
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (USD)	USD	ER	High Yield	0%	150%	3.00%	BNPIHIFU	HIFU
BNP Paribas MS – Diversified Fund Star Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.50%	BNPIDFST	DFST
BNP Paribas MS – Diversified Fund Star Index (USD)	USD	ER	Mutual Fund	0%	150%	4.50%	BNPIDFSU	DFSU
BNP Paribas Fd - Real Estate Europe Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIRE2E	RE2E
BNP Paribas Fd - Real 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 Stars Series 2 Index (EUR)	EUR	TR	Income Funds	0%	100%	5.00%	BNPI2CMB	2CMB
BNP Paribas MSB – MultiStrat Fund Stars Index (EUR)	EUR	TR	Mutual Fund	0%	100%	4.00%	BNPIMSFB	MSFB
BNP Paribas MSB - Allocation Fund Stars Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIAFSB	AFSB
BNP Paribas MSB – Newcits Fund Stars 3 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	3.50%	BNPIN3FB	N3FB
Swedish Mixed Allocation Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	12.00%	BNPIASWE	ASWE
BNP Paribas MS -	EUR	ER	Income	0%	150%	4.00%	BNPII3MT	I3MT

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Income Fund Star Series 3 Index (EUR)			Funds					
BNP Paribas MS - Income Fund Star Series 4 Index (EUR)	EUR	ER	Income Funds	0%	150%	4.00%	BNPII4MT	I4MT
BNP Paribas MS - Income Fund Star Series 3 Index (USD-Hedged)	USD	ER	Income Funds	0%	150%	4.00%	BNPII3MU	I3MU
BNP Paribas MS - Income Fund Star Series 4 Index (USD-Hedged)	USD	ER	Income Funds	0%	150%	4.00%	BNPII4MU	I4MU
BNP Paribas MSB - Income Fund Star Series 3 Index (EUR)	EUR	TR	Income Funds	0%	100%	4.00%	BNPII3MB	I3MB
BNP Paribas MSB - Income Fund Star Series 4 Index (EUR)	EUR	TR	Income Funds	0%	100%	4.00%	BNPII4MB	I4MB
BNP Paribas MS - Allocation Fund Stars Series 3 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA3MT	A3MT
BNP Paribas MS - Allocation Fund Stars Series 4 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA4MT	A4MT
BNP Paribas MS - Allocation Fund Stars Series 3 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIA3MU	A3MU
BNP Paribas MS - Allocation Fund Stars Series 4 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIA4MU	A4MU
BNP Paribas MSB - Allocation Fund Stars Series 3 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIA3MB	A3MB
BNP Paribas MSB - Allocation Fund Stars Series 4 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIA4MB	A4MB
BNP Paribas MS – MultiStrat Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIM2MT	M2MT
BNP Paribas MS – MultiStrat Fund Stars Series 3 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIM3MT	M3MT
BNP Paribas MS – MultiStrat Fund Stars Series 2 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIM2MU	M2MU
BNP Paribas MS – MultiStrat Fund Stars Series 3 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIM3MU	M3MU
BNP Paribas MSB – MultiStrat Fund Stars Series 2 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIM2MB	M2MB
BNP Paribas MSB – MultiStrat Fund Stars Series 3 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIM3MB	M3MB
BNP Paribas MS – Newcits Fund Stars Series 4 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	4.00%	BNPIN4MT	N4MT
BNP Paribas MS – Newcits Fund Stars Series 5 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	4.00%	BNPIN5MT	N5MT
BNP Paribas MS – Newcits Fund Stars Series 4 Index (USD Hedged)	USD	ER	Newcits Funds	0%	150%	4.00%	BNPIN4MU	N4MU
BNP Paribas MS – Newcits Fund Stars Series 5 Index (USD Hedged)	USD	ER	Newcits Funds	0%	150%	4.00%	BNPIN5MU	N5MU

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas MS – Newcits Fund Stars Series 4 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	4.00%	BNPIN4MB	N4MB
BNP Paribas MS – Newcits Fund Stars Series 5 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	4.00%	BNPIN5MB	N5MB
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIFT	GIFT
BNP Paribas Fd - Global Inflation Funds Index (USD-Hedged version)	USD	ER	Inflation bond	0%	150%	4.00%	BNPIGIFU	GIFU
Indeks Polskich Funduszy Dłużnych	PLN	TR	Polish Bond Funds	0%	100%	2.50%	ENHADLUZ	DLUZ
BNP Paribas MS - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield /IG	0%	150%	3.00%	BNPIHIMT	HIMT
BNP Paribas MS - Global High Yield and Investment Grade Bond Funds Net ER Index (EUR)	EUR	ER	High Yield /IG	0%	150%	3.00%	BNPIHIMN	HIMN
BNP Paribas MS - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIMT	GIMT
BNP Paribas MS - Global Inflation Funds Net ER Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIMN	GIMN
BNP Paribas Fd – Strategic Bond Fund Stars Net ER Index (EUR)	EUR	ER	Bond Funds	0%	150%	2.50%	BNPISBFN	SBFN
BNP Paribas Fd – Financial Bonds Funds Index (EUR)	EUR	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFT	FBFT
BNP Paribas Fd – Financial Bonds Funds Index (USD-hedged)	USD	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFU	FBFU
BNP Paribas FdB – Financial Bonds Funds Index (EUR)	EUR	TR	Financial Bonds	100%	100%	4.00%	BNPIFBFB	FBFB
BNP Paribas Fd – Financial Bonds Funds Net ER Index (EUR)	EUR	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFN	FBFN
BNP Paribas Fd – Financial Bonds Funds TR Index (EUR)	EUR	TR	Financial Bonds	0%	150%	4.00%	BNPIFBFR	FBFR
BNP Paribas Fd – Short Duration High Yield Debt Funds Index (EUR)	EUR	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFT	SHFT
BNP Paribas Fd – Short Duration High Yield Debt Funds Index (USD-hedged)	USD	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFU	SHFU
BNP Paribas FdB – Short Duration High Yield Debt Funds Index (EUR)	EUR	TR	Short Duration High Yield Debt	100%	100%	4.00%	BNPISHFB	SHFB
BNP Paribas Fd – Short Duration High Yield Debt Funds Net ER Index (EUR)	EUR	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFN	SHFN
BNP Paribas Fd – Short Duration High Yield Debt Funds TR Index (EUR)	EUR	TR	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFR	SHFR
BNP Paribas Fd – Bank	EUR	ER	Bank Loans	0%	150%	4.00%	BNPIBLFT	BLFT

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Loans Funds Index (EUR)			Funds					
BNP Paribas Fd – Bank Loans Funds Index (USD-hedged)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFU	BLFU
BNP Paribas FdB – Bank Loans Funds Index (EUR)	EUR	TR	Bank Loans Funds	100%	100%	4.00%	BNPIBLFB	BLFB
BNP Paribas Fd – Bank Loans Funds Net ER Index (EUR)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFN	BLFN
BNP Paribas Fd – Bank Loans Funds TR Index (EUR)	EUR	TR	Bank Loans Funds	0%	150%	4.00%	BNPIBLFR	BLFR
Swedish Mixed Allocation Adjusted Funds Index (SEK)	SEK	AR	Mutual Fund	0%	100%	11.00%	BNPIASWP	ASWPR
BNP Paribas MS - Allocation Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA2MT	A2MTER
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	TR	Inflation bond	0%	150%	4.00%	BNPIGIFB	GIFBTR
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIFN	GIFNER
BNP Paribas Fd - Global Inflation Funds TR Index (EUR)	EUR	TR	Inflation bond	0%	150%	4.00%	BNPIGIFR	GIFRTR
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (EUR)	EUR	ER	SRI	0%	150%	4.00%	BNPIMIFN	MIFNER
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 TR (EUR)	EUR	TR	SRI	0%	150%	4.00%	BNPIMIFR	MIFRTR
BNP Paribas Fd - Multi Asset SRI Funds Index (EUR)	EUR	TR	SRI	100%	100%	4.00%	BNPIMIFB	MIFB
BNP Paribas Fd - Multi Asset SRI Funds AR Index (EUR)	EUR	TR	SRI	100%	100%	4.00%	BNPIMIEB	MIEB
BNP Paribas Fd - Multi Asset SRI Funds AR Index (USD)	USD	TR	SRI	100%	100%	4.00%	BNPIMIUB	MIUB
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (EUR)	EUR	ER	SRI	0%	150%	4.00%	BNPIMIFE	MIFE
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (USD-hedged)	USD	ER	SRI	0%	150%	4.00%	BNPIMIFU	MIFU
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (SEK-hedged)	SEK	ER	SRI	0%	150%	4.00%	BNPIMIFS	MIFS
BNP Paribas Bonds and Equity Funds Allocation Index	EUR	Excess Return	Mutual Fund	0%	100%	8.00%	BNPIBEFA	BNPIBEFA
BNP Paribas FD - Alternative Risk Premia Funds Index (EUR)	EUR	ER	Risk Premia	0%	125%	4.00%	BNPIRPFE	RPFE
BNP Paribas FD - Alternative Risk Premia Funds TR Index (EUR)	EUR	TR	Risk Premia	0%	125%	4.00%	BNPIRPFT	RPFT
BNP Paribas FD - Alternative Risk Premia Funds Index (USD hedged)	USD	ER	Risk Premia	0%	125%	4.00%	BNPIRPFU	RPFU
BNP Paribas FD -	EUR	ER	Risk	0%	125%	4.00%	BNPIRPFB	RPFB

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Alternative Risk Premia Funds Index (EUR)			Premia					

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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Generally twice a year
7	Type of index	All Indices listed in the table below are part of the Thematic Equity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Emerging Consumer ER	EUR	ER	Consumer	0%	200%	15%	BNPIECER	ECER
Ethibel ER	EUR	ER	Ethibel	0%	200%	15%	BNPIETER	ETER
Energy Efficiency ER	EUR	ER	Energy Efficiency	0%	200%	15%	BNPIEER	EEER
Emerging Infrastructure ER	EUR	ER	Infrastructure	0%	100%	18%	BNPIEIER	EIER
Agribusiness ER	EUR	ER	Agribusiness	0%	200%	15%	BNPIGAER	GAER
Agribusiness USD TR	USD	TR	Agribusiness	0%	200%	15%	BNPIGAUI	GAUTR
Grey Gold ER	EUR	ER	Grey Gold	0%	200%	15%	BNPIGGER	GGER
Global Infrastructure ER	EUR	ER	Infrastructure	0%	200%	15%	BNPIGIER	GIER
Global Waste Management ER	EUR	ER	Waste Management	0%	200%	15%	BNPIGWER	GWER
M&A ER	EUR	ER	M&A	0%	200%	SX5E	BNPIMAER	MAER
M&A TR	EUR	ER	M&A	100%	100%	NA	BNPIMATR	MATR

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Renewable Energy ER	EUR	ER	Renewable Energy	0%	200%	15%	BNPIREER	REER
Global Water ER	EUR	ER	Water	0%	200%	15%	BNPIWAER	WAER
Next 11 Core 8 ER	EUR	ER	Emerging Markets	0%	100%	18%	BNPINEER	NEER
Renewable Energy USD TR	USD	TR	Renewable Energy	0%	200%	15%	BNPIREUI	REUTR
BNP Paribas High Div 15 TR Index	EUR	TR	High Dividend	0%	100%	15%	BNPIHDTR	HD15TR
BNPP Global Green Excess Return Index volcap 12% ER	EUR	ER	Green	0%	100%	12%	BNPIGRER	GEER
Key Idea ER	EUR	ER	Key Idea	0%	200%	SX5E	BNPIKIER	KIER
BNP Paribas High Div 15 ER Index	EUR	ER	High Dividend	0%	100%	15%	BNPIHDER	HD15EER
BNP Paribas Inflation Equity USD TR	USD	TR	Inflation	100%	100%	NA	BNPIIEUT	IEUTR
BNP Paribas High Div Naked TR Index	EUR	TR	High Dividend	100%	100%	NA	BNPIHDNT	HDNTR
BNP Paribas High Dividend Yield Japan Equity Long TR	JPY	TR	High Dividend	100%	100%	NA	BNPIHDJT	HDJTTR
BNP Paribas African Consumer EUR TR	EUR	TR	Consumer	100%	100%	NA	BNPIACTR	ACTR
BNP Paribas African Consumer Isovola 15 EUR ER	EUR	ER	Consumer	0%	150%	15%	BNPIACER	ACERER
AXA Singapore Equity Select Index	SGD	PR	Singapore	0%	100%	11%	ENHAALSG	ENHAALSGP R
BNP Paribas World ex Japan Large Cap Tracker Index TR	USD	TR	World ex Japan	0%	200%	NA	BNPIWLCT	WLCTTR
Next 11 Core 8 SBox PR	EUR	PR	Next 11	0%	100%	NA	BNPINEPR	BNPINEPR
BNP Paribas Technology 15 RUB Index	RUB	ER	Techno	0%	150%	15%	BNPINTRE	NTRER
BNP Paribas Global Agribusiness Total Return Index (USD)	USD	TR	Agribusiness	0%	200%	15%	BNPIGATR	BNPIGATR
BNP Paribas Global Waste Management Total Return Index (USD)	USD	TR	Waste Management	100%	100%	NA	BNPIGWTR	BNPIGWTR
BNP Paribas Next 11 Core 8 Total Return Index (USD)	USD	TR	Emerging Markets	100%	100%	NA	BNPINETR	BNPINETR
BNP Paribas Global Renewable Energies Total Return Index (USD)	USD	TR	Renewable Energies	100%	100%	NA	BNPIRETR	BNPIRETR
BNP Paribas Global Water Total Return Index (USD)	USD	TR	Water	100%	100%	NA	BNPIWATR	BNPIWATR
BNP Paribas World Renewable Energy Total Return Index	EUR	TR	Renewable Energies	100%	100%	NA	BNPIRETE	BNPRETE

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
(EUR)								
Next dividend Low Risk Europe	EUR	PR	Efficient Europe	100%	100%	NA	BNPINXDV	NXDVPR
Next Dividend High Beta Europe	EUR	PR	Efficient Europe	100%	100%	NA	BNPINXHB	BNPINXHBPR
Dynamic deep Value Equity Europe Index	EUR	PR	Efficient Europe	100%	100%	NA	ENHADEEP	DEEPPR
Deep Value Europe Select 50 PR Index	EUR	PR	Efficient Europe	100%	100%	NA	ENHADVE5	DVE5ER
Global Grey Gold Select 30 USD	USD	PR	Ageing Population	100%	100%	NA	BNPIGGGP	GGGPPR
Sélection de Valeurs Kepler Chevreux TR	EUR	NA	Recherche Equities	100%	100%	NA	ENHAKSPR	KSPR
Sélection de Valeurs Kepler Chevreux PR	EUR	NA	Recherche Equities	100%	100%	NA	ENHAKSTR	KSTR
World Sustainable Development Goals Select Index	USD	NA	Sustainable	100%	100%	NA	ENHAGOAL Index	CI_ENHAGOA L
BNP Paribas Equity World Global Goals NTR Index	USD	NA	Sustainable	100%	100%	NA	BNPIWGGN Index	CI_BNPIWGG N
BNP Paribas Equity Europe Climate Care	EUR	NA	Climate	100%	100%	NA	BNPIECC Index	CI_EECC

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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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
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Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas USD 10Y Futures Index ER	USD	Long	ER	Future	10-Year US Treasury Note	100%	BNPIFU10	BNP Paribas Arbitrage SNC	FU10ER
BNP Paribas USD EUR Forward Index ER	USD	Long	ER	Forward	USD-EUR Exchange Rate	100%	BNPIUSEU	BNP Paribas Arbitrage SNC	USEUER
BNP Paribas Eurozone Equity Futures Index ER	EUR	Long	ER	Future	DJ Euro Stoxx 50 Index	100%	BNPIFEU	BNP Paribas Arbitrage SNC	FEUER
BNP Paribas Australia Equity Futures Index ER	AUD	Long	ER	Future	S&P/ASX 200 INDEX	100%	BNPIFAU	BNP Paribas Arbitrage SNC	FAUER
BNP Paribas EUR 5Y Futures Index ER	EUR	Long	ER	Future	Euro-Bobl 5yr 6%	100%	BNPIFEU5	BNP Paribas Arbitrage SNC	FEU5ER
BNP Paribas EUR 10Y Futures Index ER	EUR	Long	ER	Future	Euro-Bund 10yr 6%	100%	BNPIFE10	BNP Paribas Arbitrage SNC	FE10ER
BNP Paribas Hong Kong Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG INDEX	100%	BNPIFHK	BNP Paribas Arbitrage SNC	FHKER
BNP Paribas Singapore Equity Futures Index ER	SGD	Long	ER	Future	MSCI SINGAPORE FREE	100%	BNPIFSG	BNP Paribas Arbitrage SNC	FSGER
BNP Paribas Japan Equity Futures Index ER	JPY	Long	ER	Future	NIKKEI 225	100%	BNPIFJP	BNP Paribas Arbitrage SNC	FJPER
BNP Paribas US Equity Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS	BNP Paribas Arbitrage SNC	FUSER
BNP Paribas UK Equity Futures Index ER	GBP	Long	ER	Future	FTSE 100 INDEX	100%	BNPIFGB	BNP Paribas Arbitrage SNC	FGBER
BNP Paribas US Equity 5Y Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUS5	BNP Paribas Arbitrage SNC	FUS5ER
BNP Paribas Taiwan Equity Futures Index ER	USD	Long	ER	Future	MSCI TAIWAN	100%	BNPIFTW	BNP Paribas Arbitrage SNC	FTWER
BNP Paribas China Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG CHINA ENT INDX	100%	BNPIFCN	BNP Paribas Arbitrage SNC	FCNER
BNP Paribas Korea Equity Futures Index ER	KRW	Long	ER	Future	KOSPI 200 INDEX	100%	BNPIFKR	BNP Paribas Arbitrage SNC	FKRER
BNP Paribas GBP 10Y Futures Index ER	GBP	Long	ER	Future	UK 10yr 4.0 %	100%	BNPIFG10	BNP Paribas Arbitrage SNC	FG10ER
BNP Paribas Emergents Futures Index ER	USD	Long	ER	Future	MSCI EM	100%	BNPIFEM	BNP Paribas Arbitrage SNC	FEMER
BNP Paribas Volatility Front 5 days Futures Index ER	EUR	Long	ER	Future	CBOE SPX VOLATILITY INDX	100%	BNPIVX5E	BNP Paribas Arbitrage SNC	VX5EER
BNP Paribas JPY 10Y Futures Index ER	JPY	Long	ER	Future	Jpn 10yr 6%	100%	BNPIFJ10	BNP Paribas Arbitrage SNC	FJ10ER
BNP Paribas Sweden Futures Index ER	SEK	Long	ER	Future	OMX STOCKHOLM 30 INDEX	100%	BNPIFSW	BNP Paribas Arbitrage SNC	FSWER
BNP Paribas Russia Futures Index ER	USD	Long	ER	Future	RUSSIAN RTS INDEX \$	100%	BNPIFRU	BNP Paribas Arbitrage SNC	FRUER
BNP Paribas Italy Futures Index ER	EUR	Long	ER	Future	FTSE MIB INDEX	100%	BNPIFIT	BNP Paribas Arbitrage	FITER

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
								SNC	
BNP Paribas Spain Futures Index ER	EUR	Long	ER	Future	IBEX 35 INDEX	100%	BNPIFSP	BNP Paribas Arbitrage SNC	FSPER
BNP Paribas Netherlands Futures Index ER	EUR	Long	ER	Future	AEX-Index	100%	BNPIFNE	BNP Paribas Arbitrage SNC	FNEER
BNP Paribas EUR USD Forward Index ER	USD	Long	ER	Forward	EUR USD Exchange Rate	100%	BNPIEUUS	BNP Paribas Arbitrage SNC	EUUSER
BNP Paribas HKD USD Forward Index ER	USD	Long	ER	Forward	HKD USD Exchange Rate	100%	BNPIHKUS	BNP Paribas Arbitrage SNC	HKUSER
BNP Paribas South Africa Equity Futures Index ER	ZAR	Long	ER	Future	FTSE/JSE AFRICA TOP40 IX	100%	BNPIFSA	BNP Paribas Arbitrage SNC	FSAER
BNP Paribas Norway Futures Index ER	NOK	Long	ER	Future	OBX STOCK INDEX	100%	BNPIFNO	BNP Paribas Arbitrage SNC	FNOER
BNP Paribas CAD 10Y Futures Index ER	CAD	Long	ER	Future	Can 10yr 6%	100%	BNPIFC10	BNP Paribas Arbitrage SNC	FC10ER
BNP Paribas Turkey Equity Futures Index ER	TRY	Long	ER	Future	ISE NATIONAL 30	100%	BNPIFTU	BNP Paribas Arbitrage SNC	FTUER
BNP Paribas EUR 2Y Futures Index ER ER	EUR	Long	ER	Future	Euro-Schatz 2yr 6%	100%	BNPIFEU2	BNP Paribas Arbitrage SNC	FEU2ER
BNP Paribas Brazil Equity Futures Index ER	BRL	Long	ER	Future	BRAZIL BOVESPA INDEX	100%	BNPIFBR	BNP Paribas Arbitrage SNC	FBRER
BNP Paribas USD 30Y Futures Index ER	USD	Long	ER	Future	US 20yr 6%	100%	BNPIFU30	BNP Paribas Arbitrage SNC	FU30ER
BNP Paribas US Equity Futures (synch EU) Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUSS	BNP Paribas Arbitrage SNC	FUSSER
BNP Paribas Poland Equity Futures Index ER	PLN	Long	ER	Future	WSE WIG 20 INDEX	100%	BNPIFPL	BNP Paribas Arbitrage SNC	FPLER
BNP Paribas Switzerland Equity Futures Index ER	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFCH	BNP Paribas Arbitrage SNC	FCHER
BNP Paribas France Equity Futures Index ER ER	EUR	Long	ER	Future	CAC 40 INDEX	100%	BNPIFFR	BNP Paribas Arbitrage SNC	FFRER
BNP Paribas Germany Equity Futures Index ER ER	EUR	Long	ER	Future	DAX INDEX	100%	BNPIFGE	BNP Paribas Arbitrage SNC	FGUER
BNP Paribas Canada Equity Futures Index ER	CAD	Long	ER	Future	S&P/TSX 60 INDEX	100%	BNPIFCA	BNP Paribas Arbitrage SNC	FCAER
BNP Paribas US Small Caps Equity Futures Index ER	USD	Long	ER	Future	RUSSELL 2000 INDEX	100%	BNPIFUSC	BNP Paribas Arbitrage SNC	FUSCER
BNP Paribas EUR 5Y Index TR TR	EUR	Long	TR	Future	Euro-Bobl 5yr 6%	100%	BNPIFE5T	BNP Paribas Arbitrage SNC	FE5TR
BNP Paribas Equity Spread Euro STOXX50 Index Future vs CME S&P500 Index Future FX Hedged EUR Index TR TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	100%	BNPISEUE	BNP Paribas Arbitrage SNC	SEUETR
BNP Paribas Equity Spread US vs Eurozone Future FX Hedged EUR Index	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	-100%	BNPISUEE	BNP Paribas Arbitrage SNC	SUEETR

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
TR									
Inav on BNP Paribas Short European Volatility Index EUR TR ER	EUR	Long	ETN	Index	BNP Paribas Short European Volatility Index EUR TR	100%	BNPISVXI	BNP Paribas Arbitrage SNC	SVXIER
BNP Paribas US Equity X4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4LUT	BNP Paribas Arbitrage SNC	LUTTR
BNP Paribas US Equity X4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X4 Daily Leverage Index TR	400%	BNPI4LUI	BNP Paribas Arbitrage SNC	LUITR
BNP Paribas US Equity X-4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4SUT	BNP Paribas Arbitrage SNC	SUTTR
BNP Paribas US Equity X-4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X-4 Daily Leverage Index TR	400%	BNPI4SUI	BNP Paribas Arbitrage SNC	SUITR
BNP Paribas France 10Y Index ER	EUR	Long	ER	Future	Euro-OAT 10yr 6%	100%	BNPIFF10	BNP Paribas Arbitrage SNC	FF10ER
BNP Paribas Europe 30Y Index ER	EUR	Long	ER	Future	Euro 30yr 4%	100%	BNPIFE30	BNP Paribas Arbitrage SNC	FE30ER
BNP Paribas US 2Y Index ER	USD	Long	ER	Future	US 2yr 6%	100%	BNPIFUS2	BNP Paribas Arbitrage SNC	FUS2ER
BNP Paribas Italy 10Y Index ER	EUR	Long	ER	Future	BTP 10yr 6%	100%	BNPIFI10	BNP Paribas Arbitrage SNC	FI10ER
BNP Paribas China Onshore Futures Index	USD	Long	ER	Future	FTSE China	100%	BNPIFCNO	BNP Paribas Arbitrage SNC	FCNO2ER
BNP Paribas Japan Tokyo Futures Index ER	JPY	Long	ER	Future	Topix Index	100%	BNPIFJT	BNP Paribas Arbitrage SNC	FJTER
BNP Paribas Emerging Currency Basket JPY ER Index	JPY	Long	ER	Index	BNP Paribas Emerging Currency Basket JPY ER Index	100%	BNPIECJE	BNP Paribas Arbitrage SNC	ECJEER
BNP Paribas Switzerland 10Y Future Index	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFS10	BNP Paribas Arbitrage SNC	FS10ER
India Equity Select Index	INR	Long	TR	Index	NSE CNX NIFTY INDEX	100%	ENHAINUT	BNP Paribas Arbitrage SNC	INUTTR
BNP Paribas Europe Small Caps Equity Futures Index	EUR	Long	ER	Futures	Stoxx Europe Small 200 Index Future	100%	BNPIFEUS	BNP Paribas Arbitrage SNC	BNPIFEUS
China Equities Rolling Futures Index	HKD	Long	ER	Futures	H-shares Index Future	100%	BNSXFCHI	Solactive	BNSXFCHI
Emerging Equities Rolling Futures Index	USD	Long	ER	Futures	mini MSCI Emerging Markets Index Future	100%	BNSXFEME	Solactive	FEME
BNP Paribas Bond Futures Australia 3Y ER Index	AUD	Long	Cashless	Future	CAGB 3yr 6%	100%	BPBFA03 Index	BNP Paribas Arbitrage SNC	CI_BPBF A03
BNP Paribas Bond Futures Australia 10Y ER Index	AUD	Long	Cashless	Future	CAGB 10yr 6%	100%	BPBFA10 Index	BNP Paribas Arbitrage SNC	CI_BPBF A10
BNP Paribas Bond	CAD	Long	Cashless	Future	CGB 10yr 6%	100%	BPBFC10	BNP Paribas	CI_BPBF

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Futures Canada 10Y ER Index			Cashless				Index	Abritrage SNC	C10
BNP Paribas Bond Futures Germany 2Y (Schatz) ER Index	EUR	Long	Cashless	Future	Schatz 2%	100%	BPBFE02 Index	BNP Paribas Abritrage SNC	CI_BPBF E02
BNP Paribas Bond Futures Germany 5Y (Bobl) ER Index	EUR	Long	Cashless	Future	Bobl 6%	100%	BPBFE05 Index	BNP Paribas Abritrage SNC	CI_BPBF E05
BNP Paribas Bond Futures Germany 10Y (Bund) ER Index	EUR	Long	Cashless	Future	Bund 10yr 6%	100%	BPBFE10 Index	BNP Paribas Abritrage SNC	CI_BPBF E10
BNP Paribas Bond Futures Germany 30Y (Long Bund) ER Index	EUR	Long	Cashless	Future	Bund 30yr 6%	100%	BPBFE30 Index	BNP Paribas Abritrage SNC	CI_BPBF E30
BNP Paribas Bond France OAT 10Y ER Index	EUR	Long	Cashless	Future	OAT 10yr 6%	100%	BPBFF10 Index	BNP Paribas Abritrage SNC	CI_BPBF F10
BNP Paribas Bond Futures UK Long Gilt ER Index	GBP	Long	Cashless	Future	Gilt 10yr 4%	100%	BPBFG10 Index	BNP Paribas Abritrage SNC	CI_BPBF G10
BNP Paribas Bond Futures Italy BTP 2Y ER Index	EUR	Long	Cashless	Future	BTP 3yr 6%	100%	BPBFI02 Index	BNP Paribas Abritrage SNC	CI_BPBF I02
BNP Paribas Bond Futures Italy BTP 10Y ER Index	EUR	Long	Cashless	Future	BTP 10yr 6%	100%	BPBFI10 Index	BNP Paribas Abritrage SNC	CI_BPBF I10
BNP Paribas Bond Futures Japan JGB 10Y ER Index	JPY	Long	Cashless	Future	JGB 10yr 6%	100%	BPBFJ10 Index	BNP Paribas Abritrage SNC	CI_BPBF J10
BNP Paribas Bond Futures US Tsy 2Y ER Index	USD	Long	Cashless	Future	T-Note 2yr 6%	100%	BPBFU02 Index	BNP Paribas Abritrage SNC	CI_BPBF U02
BNP Paribas Bond Futures US Tsy 5Y ER Index	USD	Long	Cashless	Future	T-Note 5yr 6%	100%	BPBFU05 Index	BNP Paribas Abritrage SNC	CI_BPBF U05
BNP Paribas Bond Futures US Tsy 10Y ER Index	USD	Long	Cashless	Future	T-Note 10yr 6%	100%	BPBFU10 Index	BNP Paribas Abritrage SNC	CI_BPBF U10
BNP Paribas Bond Futures US Tsy 20Y ER Index	USD	Long	Cashless	Future	T-Bond 20yr 6%	100%	BPBFU20 Index	BNP Paribas Abritrage SNC	CI_BPBF U20
BNP Paribas Bond Futures US Tsy 30Y ER Index	USD	Long	Cashless	Future	T-Bond 30yr 6%	100%	BPBFU30 Index	BNP Paribas Abritrage SNC	CI_BPBF U30
BNP Paribas Money Market Access Euro 1st Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (1st)	25%	BPMMAE1 E Index	BNP Paribas Abritrage SNC	CI_BPM MAE1E
BNP Paribas Money Market Access Euro 2nd Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (2nd)	25%	BPMMAE2 E Index	BNP Paribas Abritrage SNC	CI_BPM MAE2E
BNP Paribas Money Market Access Euro 3rd Futures ER	EUR	Long	Cashless	Future	3mo Euro Euribor (3rd)	25%	BPMMAE3 E Index	BNP Paribas Abritrage SNC	CI_BPM MAE3E

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
EUR Index									
BNP Paribas Money Market Access Euro 4th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (4th)	25%	BPMMAE4 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAE4E
BNP Paribas Money Market Access Euro 5th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (5th)	25%	BPMMAE5 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAE5E
BNP Paribas Money Market Access Euro 6th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (6th)	25%	BPMMAE6 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAE6E
BNP Paribas Money Market Access Euro 7th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (7th)	25%	BPMMAE7 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAE7E
BNP Paribas Money Market Access Euro 8th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (8th)	25%	BPMMAE8 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAE8E
BNP Paribas Money Market Access Euro 5th-8th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (5th-8th)	100%	BPMMAE8 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAERE
BNP Paribas Money Market Access Euro 1st-4th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (1st-4th)	100%	BPMMAEW E Index	BNP Paribas Arbitrage SNC	CI_BPM MAEWE
BNP Paribas Money Market Access Euro 1st-8th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (1st-8th)	200%	BPMMAE8 E Index	BNP Paribas Arbitrage SNC	CI_BPM MAEXE
BNP Paribas Money Market Access Sterling 1st Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (1st)	25%	BPMMAG1 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG1G
BNP Paribas Money Market Access Sterling 2nd Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (2nd)	25%	BPMMAG2 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG2G
BNP Paribas Money Market Access Sterling 3rd Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (3rd)	25%	BPMMAG3 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG3G
BNP Paribas Money Market Access Sterling 4th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (4th)	25%	BPMMAG4 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG4G
BNP Paribas Money Market Access Sterling 5th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (5th)	25%	BPMMAG5 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG5G
BNP Paribas Money Market Access Sterling 6th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (6th)	25%	BPMMAG6 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG6G
BNP Paribas Money Market Access Sterling 7th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (7th)	25%	BPMMAG7 G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG7G

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
ER GBP Index									
BNP Paribas Money Market Access Sterling 8th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (8th)	25%	BPMMA8G Index	BNP Paribas Arbitrage SNC	CI_BPM MAG8G
BNP Paribas Money Market Access Sterling 5th-8th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (5th-8th)	100%	BPMMA8G Index	BNP Paribas Arbitrage SNC	CI_BPM MAGRG
BNP Paribas Money Market Access Sterling 1st-4th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (1st-4th)	100%	BPMMA8G Index	BNP Paribas Arbitrage SNC	CI_BPM MAGWG
BNP Paribas Money Market Access Sterling 1st-8th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (1st-8th)	200%	BPMMA8G Index	BNP Paribas Arbitrage SNC	CI_BPM MAGXG
BNP Paribas Money Market Access Eurodollar 1st Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (1st)	25%	BPMMAU1 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU1U
BNP Paribas Money Market Access Eurodollar 2nd Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (2nd)	25%	BPMMAU2 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU2U
BNP Paribas Money Market Access Eurodollar 3rd Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (3rd)	25%	BPMMAU3 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU3U
BNP Paribas Money Market Access Eurodollar 4th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (4th)	25%	BPMMAU4 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU4U
BNP Paribas Money Market Access Eurodollar 5th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (5th)	25%	BPMMAU5 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU5U
BNP Paribas Money Market Access Eurodollar 6th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (6th)	25%	BPMMAU6 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU6U
BNP Paribas Money Market Access Eurodollar 7th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (7th)	25%	BPMMAU7 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU7U
BNP Paribas Money Market Access Eurodollar 8th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (8th)	25%	BPMMAU8 U Index	BNP Paribas Arbitrage SNC	CI_BPM MAU8U
BNP Paribas Money Market Access	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit	100%	BPMMAUR U Index	BNP Paribas Arbitrage	CI_BPM MAURU

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Eurodollar 5th-8th Futures ER USD Index					(5th-8th)			SNC	
BNP Paribas Money Market Access Eurodollar 1st-4th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (1st-4th)	100%	BPMMAUWU Index	BNP Paribas Abritrage SNC	CI_BPM MAUWU
BNP Paribas Money Market Access Eurodollar 1st-8th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (1st-8th)	200%	BPMMAUXU Index	BNP Paribas Abritrage SNC	CI_BPM MAUXU
BNP Paribas EUR 2 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 2Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAEU2 Index	BNP Paribas Abritrage SNC	CI_BNS XAEU2
BNP Paribas EUR 3 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 3Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAEU3 Index	BNP Paribas Abritrage SNC	CI_BNS XAEU3
BNP Paribas EUR 5 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 5Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAEU5 Index	BNP Paribas Abritrage SNC	CI_BNS XAEU5
BNP Paribas EUR 7 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 7Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAEU7 Index	BNP Paribas Abritrage SNC	CI_BNS XAEU7
BNP Paribas EUR 10 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 10Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAE10 Index	BNP Paribas Abritrage SNC	CI_BNS XAE10
BNP Paribas EUR 20 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 20Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAE20 Index	BNP Paribas Abritrage SNC	CI_BNS XAE20
BNP Paribas EUR 30 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 30Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSXAE30 Index	BNP Paribas Abritrage SNC	CI_BNS XAE30
BNP Paribas USD 2 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 2Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAUS2 Index	BNP Paribas Abritrage SNC	CI_BNS XAUS2
BNP Paribas USD 3 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 3Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAUS3 Index	BNP Paribas Abritrage SNC	CI_BNS XAUS3
BNP Paribas USD 5 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 5Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAUS5 Index	BNP Paribas Abritrage SNC	CI_BNS XAUS5
BNP Paribas USD 7 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 7Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAUS7 Index	BNP Paribas Abritrage SNC	CI_BNS XAUS7
BNP Paribas USD 10 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 10Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAUS10 Index	BNP Paribas Abritrage SNC	CI_BNS XAUS10

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas USD 20 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 20Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAU20 Index	BNP Paribas Arbitrage SNC	CI_BNSXAU20
BNP Paribas USD 30 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 30Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSXAU30 Index	BNP Paribas Arbitrage SNC	CI_BNSXAU30
BNP Paribas AUD 1M FX Spot Index	USD	Long	Cashless	Forward	AUD/USD FX Spot Rate	100%	BPFXAUD1 Index	BNP Paribas Arbitrage SNC	CI_BPFXAUD
BNP Paribas BRL 1M Fx Spot Index	USD	Long	Cashless	Forward	BRL/USD FX Spot Rate	100%	BPFXBRL1 Index	BNP Paribas Arbitrage SNC	CI_BPFXBRL
BNP Paribas CAD 1M FX Spot Index	USD	Long	Cashless	Forward	CAD/USD FX Spot Rate	100%	BPFXCAD1 Index	BNP Paribas Arbitrage SNC	CI_BPFXCAD
BNP Paribas CHF 1M FX Spot Index	USD	Long	Cashless	Forward	CHF/USD FX Spot Rate	100%	BPFXCHF1 Index	BNP Paribas Arbitrage SNC	CI_BPFXCHF
BNP Paribas CLP 1M Fx Spot Index	USD	Long	Cashless	Forward	CLP/USD FX Spot Rate	100%	BPFXCLP1 Index	BNP Paribas Arbitrage SNC	CI_BPFXCLP
BNP Paribas COP 1M Fx Spot Index	USD	Long	Cashless	Forward	COP/USD FX Spot Rate	100%	BPFXCOP1 Index	BNP Paribas Arbitrage SNC	CI_BPFXCOP
BNP Paribas CZK 1M Fx Spot Index	USD	Long	Cashless	Forward	CZK/USD FX Spot Rate	100%	BPFXCZK1 Index	BNP Paribas Arbitrage SNC	CI_BPFXCZK
BNP Paribas EUR 1M FX Spot Index	USD	Long	Cashless	Forward	EUR/USD FX Spot Rate	100%	BPFXEUR1 Index	BNP Paribas Arbitrage SNC	CI_BPFXEUR
BNP Paribas GBP 1M FX Spot Index	USD	Long	Cashless	Forward	GBP/USD FX Spot Rate	100%	BPFXGBP1 Index	BNP Paribas Arbitrage SNC	CI_BPFXGBP
BNP Paribas HUF 1M Fx Spot Index	USD	Long	Cashless	Forward	HUF/USD FX Spot Rate	100%	BPFXHUF1 Index	BNP Paribas Arbitrage SNC	CI_BPFXHUF
BNP Paribas INR 1M Fx Spot Index	USD	Long	Cashless	Forward	INR/USD FX Spot Rate	100%	BPFXINR1 Index	BNP Paribas Arbitrage SNC	CI_BPFXINR
BNP Paribas JPY 1M FX Spot Index	USD	Long	Cashless	Forward	JPY/USD FX Spot Rate	100%	BPFXJPY1 Index	BNP Paribas Arbitrage SNC	CI_BPFXJPY
BNP Paribas KRW 1M Fx Spot Index	USD	Long	Cashless	Forward	KRW/USD FX Spot Rate	100%	BPFXKRW1 Index	BNP Paribas Arbitrage SNC	CI_BPFXKRW
BNP Paribas MXN 1M Fx Spot Index	USD	Long	Cashless	Forward	MXN/USD FX Spot Rate	100%	BPFXMXN1 Index	BNP Paribas Arbitrage SNC	CI_BPFXMXN
BNP Paribas NOK 1M FX Spot Index	USD	Long	Cashless	Forward	NOK/USD FX Spot Rate	100%	BPFXNOK1 Index	BNP Paribas Arbitrage SNC	CI_BPFXNOK
BNP Paribas NZD 1M FX Spot Index	USD	Long	Cashless	Forward	NZD/USD FX Spot Rate	100%	BPFXNZD1 Index	BNP Paribas Arbitrage SNC	CI_BPFXNZD
BNP Paribas PHP	USD	Long	Cashless	Forward	PHP/USD FX	100%	BPFXPHP1	BNP Paribas	CI_BPFX

Index Name	Currency	Long/Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
1M Fx Spot Index			Cashless		Spot Rate		Index	Arbitrage SNC	1PHP
BNP Paribas PLN 1M Fx Spot Index	USD	Long	Cashless	Forward	PLN/USD FX Spot Rate	100%	BPFXPLN1 Index	BNP Paribas Arbitrage SNC	CI_BPFX1PLN
BNP Paribas SEK 1M Fx Spot Index	USD	Long	Cashless	Forward	SEK/USD FX Spot Rate	100%	BPFXSEK1 Index	BNP Paribas Arbitrage SNC	CI_BPFX1SEK
BNP Paribas SGD 1M Fx Spot Index	USD	Long	Cashless	Forward	SGD/USD FX Spot Rate	100%	BPFXSGD1 Index	BNP Paribas Arbitrage SNC	CI_BPFX1SGD
BNP Paribas TRY 1M Fx Spot Index	USD	Long	Cashless	Forward	TRY/USD FX Spot Rate	100%	BPFXTRY1 Index	BNP Paribas Arbitrage SNC	CI_BPFX1TRY
BNP Paribas TWD 1M Fx Spot Index	USD	Long	Cashless	Forward	TWD/USD FX Spot Rate	100%	BPFXTWD1 Index	BNP Paribas Arbitrage SNC	CI_BPFX1TWD
BNP Paribas ZAR 1M Fx Spot Index	USD	Long	Cashless	Forward	ZAR/USD FX Spot Rate	100%	BPFXZAR1 Index	BNP Paribas Arbitrage SNC	CI_BPFX1ZAR

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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Risk Control Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Poland RC 20 PLN Hedged ER	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	150%	20%	ENHAFPLP	FPLPER
BNP Paribas Risk-Controlled 10 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	10%	BNPI10UE	RC10USEER
BNP Paribas Risk-Controlled 15 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	15%	BNPI15UE	RC15USEER
BNP Paribas Risk-Controlled 20 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	20%	BNPI20UE	RC20USEER
BNP Paribas Risk-Controlled 25 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	25%	BNPI25UE	RC25USEER
BNP Paribas Risk-Controlled 30 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	30%	BNPI30UE	RC30USEER
BNP Paribas Risk-Controlled 15 Eurozone Equity Index TR	EUR	TR	BNPP Paribas Eurozone Equity Futures Index	0%	NA	15%	BNPI15ET	SXE15TR
BNP Paribas Risk-Controlled 15 Eurozone Equity Index ER	EUR	ER	BNPP Paribas Eurozone Equity Futures Index	0%	NA	15%	BNPI15EE	SXE15ER
BRIC RC 10 PLN Hedged ER	PLN	ER	Dow Jones BRIC 50 All DR Volatility Risk Control Index	0%	150%	10%	ENHABRCP	BRCPER
Africa RC 10 PLN Hedged ER	PLN	ER	S&P Access Africa Daily Risk Control 10% Excess Return	0%	150%	10%	ENHAAFRP	AFRPER
BNP Paribas Volcap10 on 10Y American Bonds USD ER	USD	ER	Paribas USD 10Y Futures Index	0%	100%	10%	BNPI10U1	FU10_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	PHP	ER	Phillipines	0%	100%	10%	ENHA21IL	ENHA21ILER

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Equity PHP Index			Stock Exchange					
Asia Tiger Risk Control 10 Excess Return	RUB	ER	MSCIEM	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	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long/short basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk. The weights of the Index Components that comprise this basket are calculated taking into account their trends, volatility and/or correlation with the market and the other Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Millenium Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Cadiz Dynamic New World Index TR	EUR	TR	0%	100%	12%	BNPICNWT	CNWTR
Millenium New World ER	EUR	ER	0%	100%	12%	BNPIMNWE	MNWER
Cadiz Dynamic New World Index ER	EUR	ER	0%	100%	12%	BNPICNWE	CNWER
Millenium US Centric ER	USD	ER	0%	100%	8%	BNPIMUER	MUER
CIMB Evergreen II Index ER	EUR	ER	-100%	100%	10%	CIMGEVG2	MMSEER
Millenium Japan 10 JPY TR	JPY	TR	0%	100%	10%	BNPIMJYT	MJYTR
Millenium 10 EUR Serie 3 TR	EUR	TR	0%	100%	10%	BNPIMV3T & BNPICGOT	MI3TR
Millenium Evergreen Master Series ER	EUR	ER	-100%	100%	10%	CIMGEVGR	CIMGEV2ER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
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
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

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Zurich Multi Asset Inflation Strategy Index ER	CHF	ER	0%	100%	10%	BNPIZMI6	ZMI6ER
BNP Paribas Emerging Plus (HUF Hedged) ER index ER	HUF	ER	0%	100%	10%	BNPIEGHE	EGHEER
BNP Paribas Emerging Plus (PLN Hedged) ER Index ER	PLN	ER	0%	100%	10%	BNPIEPPE	EPPEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index ER	HUF	ER	NA	NA	NA	BNPIDIHE	DIHEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index	HUF	ER	0%	100%	10%	BNPIDIHE	DIHE
Millenium CIMB Master Series EUR ER	EUR	ER	0%	100%	10%	CIMMILER	CIMV2ER
Cadiz Dynamic Global Opportunities Excess Return Index	EUR	ER	0%	100%	10%	BNPICGOE	MV3EER
New Frontier 5 Social Europe TR	EUR	TR	0%	100%	10%	BNPIN5SE	NF5SEER
World of Wealth Index	RUB	ER	0%	300%	8%	ENHAWWIR	ENHAWWIRER
BNP Paribas Balanced Allocation Index	EUR	TR	0%	100%	7%	BNPIBAI	BNPIBAI
BNP Paribas Classic Allocation Index	EUR	TR	0%	100%	10%	BNPICAI	BNPICAI
BNP Paribas Dynamic Allocation Index	EUR	TR	0%	100%	18%	BNPIDAI	BNPIDAI
BNP Paribas Multi-Asset Diversified vol 10 ER	EUR	ER	-33%	100%	10%	BNPIMD10	MD10ER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx hedged Index	USD	ER	-33%	100%	4%	BNPIMD4U	MD4U
BNP Paribas Multi-Asset Diversified USD Fx hedged Index	USD	ER	-33%	100%	8%	BNPIMDUE	MDUE
BNP Paribas Multi-Asset Diversified vol 4 EUR Global Index	EUR	ER	0%	150%	4%	BNPIMD4A	BNPIMD4A
BNP Paribas Multi-Asset Diversified vol 8 EUR Global Index	EUR	ER	0%	300%	8%	BNPIMD8A	BNPIMD8A
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Global Index	USD	ER	0%	300%	8%	BNPID8UA	BNPID8UA
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Global Index	USD	ER	0%	150%	4%	BNPID4UA	BNPID4UA
BNP Paribas Millenium 10 EUR Serie 3 TR ex Agri	EUR	TR	0%	100%	10%	BNPIM3EA	MI3EA
BNP Paribas Multi-Asset Diversified EUR ex Agri	EUR	ER	0%	300%	8%	BNPIMD8X	BNPIMD8X
BNP Paribas Dynamic Opportunities EUR ER Index	EUR	ER	100%	100%	4%	BNPIDOEE	DOEE
BNP Paribas Dynamic Opportunities EUR TR Index	EUR	TR	100%	100%	4%	BNPIDOET	DOET
BNP Paribas MultiAsset D	EUR	TR	0%	100%	10%	BNPIMAD	MADTR
BNP Paribas MultiAsset A	EUR	ER	0%	100%	12%	BNPIMAA	MAATR
BNP Paribas MultiAsset M	EUR	ER	0%	100%	6%	BNPIMAM	MAMTR
Aurora Aggressive	EUR	TR	0%	100%	12%	BNPIAUAG	AUAGTR
Aurora Dynamic	EUR	TR	0%	100%	10%	BNPIAUDY	AUDYTR
Aurora Moderate	EUR	TR	0%	100%	6%	BNPIAUMO	AUMOTR
Multi-Asset Strategie	EUR	ER	0%	150%	5%	BNPIMAS	MASER
BNP Paribas Multi Asset Diversified 5 Index	USD	ER	0%	100%	5%	BNPIMAD5	BNPIMAD5
BNP Paribas Multi-Asset Diversified vol 8 EUR Future Index	EUR	ER	0%	300%	8%	BNPIMD8F	MD8FER
BNP Paribas Multi-Asset Diversified vol 4 EUR Future Index	EUR	ER	0%	150%	4%	BNPIMD4F	MD4FER
BNP Paribas Multi-Asset Diversified vol 2 EUR Future	EUR	ER	0%	100%	2%	BNPIMD2F	MD2FER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Index							
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Future Index	USD	ER	0%	300%	8%	BNPID8UF	D8UFER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Future Index	USD	ER	0%	150%	4%	BNPID4UF	D4UFER
BNP Paribas Multi-Asset Diversified vol 2 USD Fx Hedged Future Index	USD	ER	0%	100%	2%	BNPID2UF	D2UFER
BNP Paribas Multi-Asset Diversified vol 10 EUR Future Index	EUR	ER	0%	300%	10%	BNPID10F	D10FER
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR TR	EUR	TR	100%	100%	4%	BNPIMDFT	MDFT
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR ER	EUR	ER	100%	100%	4%	BNPIMDFE	MDFE
BNP Paribas Multi-Asset Diversified vol 10 ER ex Agri	EUR	ER	0%	300%	10%	BNPIMDEA	MD10EAER
BNP Paribas Cross Asset Income Maximizer Vol 8 Index USD TR	USD	TR	0%	100%	8%	BNPIIM8U	M8U
BNP Paribas Cross Asset Income Maximizer Vol 8 Index EUR TR	EUR	TR	0%	100%	8%	BNPIIM8E	IM8E
BNP Paribas Multi Asset Global Income Index	EUR	ER	0%	200%	5%	BNPIMAGI	MAGI
BNP Paribas Multi-Asset Diversified Defensive EUR Index	EUR	ER	0%	200%	5%	BNPIMDDE	MDDEER
BNP Paribas Multi Asset Income Maximizer Vol 4 Index EUR AR	EUR	TR	100%	100%	4%	BNPIIM4E	IM4E
BNP Paribas Multi Asset Income Maximizer Vol 5 Index EUR AR	EUR	TR	100%	100%	5%	BNPIIM5E	IM5E
BNP Paribas Multi Asset Income Maximizer Vol 4 Index EUR ER	EUR	ER	100%	100%	4%	BNPIIME4	IME4
BNP Paribas Multi Asset Income Maximizer Vol 5 Index EUR ER	EUR	ER	100%	100%	5%	BNPIIME5	IME5
BNP Paribas Multi Asset Income Maximizer Vol 4 Index (USD-hedged)	USD	TR	100%	100%	4%	BNPIIM4U	IM4U
BNP Paribas Multi Asset Income Maximizer Vol 5 Index (USD-hedged)	USD	TR	100%	100%	5%	BNPIIM5U	IM5U
BNP Paribas Multi-Asset Diversified vol 16 EUR Future Index	EUR	ER	0%	600%	16%	BNPIMD16	MD16ER
BNP Paribas Multi-Asset Diversified vol 16 USD FX Hedged Future Index	USD	ER	0%	600%	16%	BNPID16U	D16UER
BNP Paribas Multi-Asset Diversified Protected EUR Index	EUR	ER	0%	400%	10%	BNPIMADP	MADP
BNP Paribas Multi-Asset Diversified Protected Vol 5 EUR Index	EUR	ER	0%	200%	5%	BNPIMDP5	MDP5
BNP Paribas Multi-Asset Diversified Protected USD Index	USD	ER	0%	400%	10%	BNPIMDPU	MDPU
BNP Paribas Multi-Asset Diversified Protected Vol 5 USD Index	USD	ER	0%	200%	5%	BNPIMP5U	MP5U
BNP Paribas Multi-Asset Diversified Defensive Global EUR Index	EUR	ER	0%	200%	5%	BNPIMDDG	MDDGER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Smart Momentum Strategy EUR Index	EUR	ER	0%	200%	5%	BNPISMSE	SMSE
BNP Paribas Smart Momentum Strategy USD Index	USD	ER	0%	200%	5%	BNPISMSU	SMSU
BNP Paribas Smart Momentum Strategy Vol 4 EUR Index	EUR	ER	0%	200%	4%	BNPISM4E	SM4E
BNP Paribas Smart Momentum Strategy Vol 4 USD Index	USD	ER	0%	200%	4%	BNPISM4U	SM4U
BNP Paribas MS - Multi Style Fund Index (EUR)	EUR	ER	0%	150%	4%	BNPIMSTF	MSTF
BNP Paribas MS - Multi Style Fund Index (USD-Hedged)	USD	ER	0%	150%	4%	BNPIMSTU	MSTU
BNP Paribas MSB - Multi Style Fund Index (EUR)	EUR	TR	100%	100%	4%	BNPIMSTB	MSTB
Dynamic Allocation Fund Stars Index VC 4 ER (EUR)	EUR	ER	0%	150%	4%	ENHADDFSE	DFSE
Dynamic Allocation Fund Stars Index VC 4 ER (USD-hedged)	USD	ER	0%	150%	4%	ENHADFSU	DFSU
Dynamic Allocation Fund Stars Index	PLN	ER	0%	150%	4%	ENHADDFSP	DFSP
K Multi Asset Risk Opportunities Index	EUR	ER	0%	200%	5%	ENHAMARK	MARK
K Multi Asset Risk Opportunity Index TR	EUR	TR	0%	200%	5%	ENHAMART	MART
Dynamic Allocation Fund Stars Index TR (EUR)	EUR	TR	100%	100%	4%	ENHADFSB	DFSE
Dynamic Allocation Fund Stars Index VC 4 Net ER (EUR)	EUR	ER	0%	150%	4%	ENHADFSN	DFSN
Dynamic Allocation Fund Stars Index VC 4 AR (EUR)	EUR	TR	0%	150%	4%	ENHADFSR	DFSR
BNP Paribas Fd - Multi Asset SRI Funds Index VC 3 ER (EUR)	EUR	ER	0%	150%	3%	BNPIM3FE	M3FE
BNP Paribas Fd - Multi Asset SRI Funds Index VC 3 Net ER Index (EUR)	EUR	ER	0%	150%	3%	BNPIM3FN	M3FN

7. Platinum Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional basket of Index Components which are a diversified portfolio of BNP Paribas proprietary indices. Each Index Component implements an absolute return strategy, which is diversified and uncorrelated to the strategies implemented by other Index Components and each Index Component is chosen to represent a different asset class (Commodities, Volatility, Foreign Exchange and Equities, respectively).
2	Description of the process of selecting components weighting factors	The Index Methodology is comprised of an equally weighted basket of the Index Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Platinum Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Platinum Asia Index USD ER	USD	ER	0%	150%	3%	BNPIPAUE	PAUEER
Platinum EUR ER	EUR	ER	0%	200%	3%	BNPITEER	TEER
Platinum 2 EUR ER	EUR	ER	0%	150%	3%	BNPIZEER	TE2ER
Platinum USD ER	USD	ER	0%	200%	3%	BNPITUER	TUER
Platinum 2 FX hedge PLN ER	PLN	ER	0%	150%	3%	BNPIZPER	TP2ER
Platinum 2 FX hedge CZK ER	CZK	ER	0%	150%	3%	BNPIZCER	TC2ER
BNP Paribas Maars Index EUR ER	EUR	ER	0%	100%	5%	BNPIMAE	MAEER
BNP Paribas Maars Fx hedged USD ER Index ER	USD	ER	0%	100%	5%	BNPIMAFU	MAFUER
BNP Paribas Maars 2 EUR ER Index ER	EUR	ER	0%	100%	5%	BNPIMAE2	MAE2ER
Platinum HUF ER	HUF	ER	0%	200%	3%	BNPITHER	THER
Platinum 3 EUR ER	EUR	ER	0%	150%	3%	BNPIP3EE	TE3ER
BNP Paribas platinum 3 FX hedge USD ER	USD	ER	0%	150%	3%	BNPIP3UE	TU3ER
BNP Paribas platinum 3 HUF fx-hedged Index ER	HUF	ER	0%	150%	3%	BNPIP3HE	TH3ER
BNP Paribas Platinum Index Series 4 EUR ER	EUR	ER	0%	150%	3%	BNPIP4EE	P4EEER
BNP Paribas Platinum 3 Extended GBP Index ER	GBP	ER	0%	150%	3%	BNPIP3GX	P3GXER
BNP Paribas Platinum 3 Extended USD Index ER	USD	ER	0%	150%	3%	BNPIP3EX	P3EXER
BNP Paribas Platinum Index Series 4 ER USD Hedged ER	USD	ER	0%	150%	3%	BNPIP4UE	P4UER
BNP Paribas Platinum Index Series 4 GBP Hedged ER	EUR	ER	0%	150%	3%	BNPIP4GE	P4GEER
BNP Paribas Quatrum PLN hedged ER Index	PLN	ER	0%	150%	3%	BNPIP3PE	TUPER
BNP Paribas Platinum 5 USD ER	USD	ER	0%	100%	4%	BNPIP5UE	P5UEER
BNP Paribas Platinum 5 ex-Agri USD ER	USD	ER	0%	100%	4%	BNPIP5UA	P5UAER

8. Harbour Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long only basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Harbour Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Harbor vol 4 EUR Index ER	EUR	ER	0%	150%	4%	BNPIH4EE	H4EEER
BNP Paribas Harbor EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIHBEE	HBEER
BNP Paribas Harbourvol 4 USD Fx Hedged ER Index ER	EUR	ER	0%	150%	4%	BNPIH4UE	H4UER
BNP Paribas Harbour USD Fx Hedged ER Index ER	EUR	ER	0%	300%	8%	BNPIHBUE	HBUER
BNP Paribas Risk Off Futures Index	EUR	ER	0%	250%	8%	BNPIROFE	ROFE

9. Flexinvest Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a long only dynamic basket composed of a risky asset (" 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily

7	Type of index	All Indices listed in the table below are part of the Flexinvest Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Risky Asset	Deleverage Asset	Bloomberg Code	Cinergy Code
Flex Invest Europe ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas EUR 5Y Futures Index	BNPIFLEU	FLEUER
Smart Trend HSCEI Excess return Index ER	USD	ER	BNP Paribas China Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPISTHK	STHKER
Flex Invest US ER	USD	ER	BNP Paribas US Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPIFLUS	FLUSER
Flex Invest BRIC ER	USD	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBR	FLBRER
BNP Paribas Flex Invest BRIC (EUR hedged) ER	EUR	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPISHBR	SHBRER
Taunus FlexInvest Index ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPITSFE	TSFEER
PBS Flexinvest Asia Index ER	USD	ER	Basket of 7 Asian future indexes	BNP Paribas USD 5Y Futures Index	PBSDFLAS	PBSDFLER
BNP Paribas Libra Emerging Markets PLN Index ER	PLN	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEP	FLEPER
BNP Paribas Emerging Markets RAPID CZK ER Index ER	CZK	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEC	FLECER
BNP Paribas Emerging Markets EUR ER Index ER	EUR	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEE	FLEEER
BNP Paribas Flex Invest BRIC (PLN hedged) ER	PLN	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBP	FLBPER
BNP Paribas Flex Invest BRIC (HUF hedged) ER	HUF	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBH	FLBHER
BNP Paribas Smart Trend Gold Index ER	USD	ER	Gold	NA	BNPIFLGC	FLGCER

10. Volatility Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide a positive exposure (" 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 dependent
3	Methods and formulae of calculation	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 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Volatility Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Enhanced Volatility Strategy Index ER	USD	ER	Long	Future	CBOE SPX Volatility Index	BNPIVIX	VIXER
Classical Evolution Europe EUR ER	EUR	ER	Short	Index	Euro Stoxx 50 Volatility IndexVStoxx	BNPICEEE	CEEER
BNP Paribas Evolution Variance Euro Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEOEE	EOEER
SMARTVOL US Series TR	USD	TR	Long	Future	CBOE SPX Volatility Index	BNPISVUS	SVUTR
BNP Paribas Enhanced Long Short Volatility Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVXLS	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 DYNAMIC ROLLING 1YATMF STRADDLE EURO ER Index ER	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDSYE	DSYER
BNP PARIBAS DYNAMIC ROLLING 1YATMF STRADDLE US ER Index ER	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDSYU	DSYUER
BNP PARIBAS E-volution Variance Repli US Excess Return Index ER	USD	ER	Short	Option	S&P 500 INDEX	BNPIEOUE	EOUER
BNP PARIBAS E-volution Variance Repli EU Excess Return Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORE	EORER
BNP Paribas Rolling Put Europe 3M 95 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE4	RPE4TR
BNP Paribas Rolling Put Europe 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

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
Evolution 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	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVXVI	VXVITR
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Ask Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEA	YEATR
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Bid Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEB	YEBTR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Ask Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUA	YUATR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Bid Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUB	YUBTR
BNP PARIBAS E-volution Variance Repli EU Total Return Index TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORT	EORTTR
BNP PARIBAS E-Volution Variance Repli US Total Return Index TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIEOUT	EOUTTR
BNP Paribas Vol Edge Term Structure Strategy index ER	EUR	ER	Long/Short	Option + Future	DJ Euro Stoxx 50 Index	BNPIVETS	VOLEER
BNP Paribas Europe 1Y Volatility for Short TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	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	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX5	VXX51ER

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
Index ER							
BNP Paribas Dynamic Volatility 1YATMF Euro ER Index	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDS1E	DS1E1ER
BNP Paribas Dynamic Volatility 1YATMF US ER Index	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDS1U	DS1U1ER
BNP Paribas E-volution Variance Repli EU ER USD Index	USD	ER	Long	Option	DJ Euro Stoxx 50 Index	BNPIEORU	EORUER
BNP Paribas Enhanced Volatility Protection ER Index	USD	ER	Long	Future	VIX	BNPIEVPO	EVPO8ER
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	BNPIRPUI	RPU1TR
BNP Paribas Rolling Put UK 1Y 90 TR	GBP	TR	Long	Option	FTSE	BNPIRPUI2	RPU2TR
BNP Paribas Rolling Put UK 3M 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPUI3	RPU3TR
BNP Paribas Rolling Put UK 3M 95 TR	GBP	TR	Long	Option	FTSE	BNPIRPUI4	RPU4TR
BNP Paribas US Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX/ S&P 500 INDEX	BNPIUEDV	UEDVTR
BNP Paribas World ex Japan Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX	BNPIWEDV	WEDVTR
BNP Paribas Eurozone Variance Replication Dec 14 EUR TR	EUR	TR	Long	Option	S&P 500 INDEX	BNPIERZ4	Z41TR
BNP Paribas Protection B25 TR Index	EUR	TR	Long/Short	Options	Eurostoxx 50 Options	BNPIPB25	PB25TR
BNP Paribas US Volatility Dynamic Short controlled ETN	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVMRI	VMRITR
BNP Paribas Volatility Mean Reversion US	USD	ER	Short	Future	CBOE SPX Volatility Index	BNPIVMRU	VMRUER
BNP Paribas Short Variance Crude Oil Daily VG2 Index	USD	ER	Short	Option + Future	NYMEX WTI	BNPIVT2D	VT2DER
BNP Paribas Short Variance Brent Daily VG2 Index	USD	ER	Short	Option + Future	ICE BRENT	BNPIVB2D	VB2DER
BNP Paribas Short Variance Gold 2 Daily VG2 Index	USD	ER	Short	Option + Future	COMEX GOLD	BNPIVG2D	BNPIVG2DER
BNP Paribas Commodity Short Variance CVXA ER Index	USD	ER	Short	Option + Future	BNPP Short Variance Crude Oil Daily VG2 Index, BNPP Short Variance Natural Gas Daily VG2 Index, 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	USD	ER	Short	Option +	BNPP Short Variance RC	BNPIVRXA	VRXAER

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
Commodity Strategy VRXA ER Index				Future	Crude Oil Daily VG2 Index, BNPP Short Variance RC Brent Daily VG2 Index, BNPP Short Variance RC Natural Gas Daily VG2 Index, BNPP Short Variance RC Gold 2 Daily VG2 Index, BNPP Short Variance RC Silver 2 Daily VG2 Index, BNPP Short Straddle RC Copper LME Daily VG2 Index, BNPP Short Straddle RC Aluminium LME Daily VG2 Index		
BNP Paribas TIER EU 4% Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIE1	TIE1TR
BNP Paribas TIER EU 6% Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIEE	TIEETR
BNP Paribas TIER US 4% Index	USD	TR	Short	Option	S&P 500 Index	BNPITIU1	TIU1TR
BNP Paribas TIER Switzerland 2% Index	CHF	TR	Short	Option	SMI Index	BNPITIS1	TIS1TR
BNP Paribas TIER T-Note Index	USD	ER	Short	Option	10-Year US Treasury Note Futures Contract	BNPITIT1	TIT1TR
BNP Paribas TIER Bund Index	EUR	ER	Short	Option	Euro-Bund Futures Contract	BNPITIB1	TIB1TR
BNP Paribas TIER UK 4% Index	GBP	TR	Short	Option	FTSE 100 Index	BNPITIG1	TIG1TR
BNP Paribas Stock Put Write US Index	USD	TR	Short	Option	US Single Stock	BNPISPUS	SPUSTR
BNP Paribas Stock Put Write EU Index	EUR	TR	Short	Option	EU Single Stock	BNPISPEU	SPEUTR
BNP Paribas Enhanced Covered EU TR Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIECEU	ECEUTR
BNP Paribas LEO EU ER Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPILEOE	LEOEER
BNP Paribas Europe Rolling Call Delta 20 Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIERCD	ERCDER
BNP Paribas Rolling Call EU Delta Cap ER Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIRCEE	RCEEER
BNP Paribas Enhanced Buy Write EUR TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIBWEU	BWEUTR
BNP Paribas Covered Stock EU Top 10 Index	EUR	TR	Short	Option	Basket Top 10 EU Equity (SAN FP, FP FP, BNP FP, SAP GY, BAS GY, BAYN GY, SIE GY, ALV GY, DAI GY, UNA NA)	BNPICSET	CSETTR
BNP Paribas Buy-Write Danone Index	EUR	TR	Short	Option	BN FP Equity	BNPIBWBN	BWBNTR
BNP Paribas Enhanced Covered US TR Index	USD	TR	Short	Option	S&P 500 Index	BNPIECUS	ECUSTR
BNP Paribas LEO US ER Index	USD	ER	Short	Option	S&P 500 Index	BNPILEOU	LEOUEER
BNP Paribas Rolling Call US Delta Cap ER Index	USD	ER	Short	Option	S&P 500 Index	BNPIRCUE	RCUEER
BNP Paribas Enhanced Buy Write US TR	USD	TR	Short	Option	S&P 500 Index	BNPIBWUS	BWUSTR
BNP Paribas Buy Write 103 US Total Return	USD	TR	Short	Option	S&P 500 Index	BNPIBWU6	BWU6TR
BNP Paribas Buy Write 103 JP Total Return	JPY	TR	Short	Option	Nikkei 225 Index	BNPIBWJ3	BWJ3TR
BNP Paribas Buy Write JP 98/104 TR Index	JPY	TR	Short	Option	Nikkei 225 Index	BNPIBWJP	BWJPTR

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas LEO UK ER Index	GBP	ER	Short	Option	FTSE 100 Index	BNPILEOG	LEOGER
BNP Paribas UK Roll Call 103 Total Return	GBP	TR	Short	Option	FTSE 100 Index	BNPIRCU3	RCU3TR
BNP Paribas Enhanced Buy Write SW Total Return Index	CHF	TR	Short	Option	FTSE 100 Index	BNPIBWSW	BWSWTR
BNP Paribas South Africa Buy-Write TR Index	ZAR	TR	Short	Option	FTSE/JSE Top40 Index	BNPIBWSA	BWSATR
BNP Paribas TIER US Volatility Index	USD	TR	Short	Option	VIX Index	BNPITIV1	TIV1TR
BNP Paribas TIER US x2 Index	USD	TR	Short	Option	S&P 500 Index	BNPITI2U	TI2UTR
BNP Paribas TIER EU x2 Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITI2E	TI2ETR
BNP Paribas TIER 2 US Index	USD	TR	Short	Option	S&P 500 Index	BNPITIU2	TIU2TR
BNP Paribas TIER 2 EU Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIEU	TIE2TR
BNP Paribas Rolling Puts and Calls B5 US	USD	TR	Long/Short	Option	S&P 500 Index	BNPIPCUS	PCUSTR
BNP Paribas Rolling Puts and Calls B5 EU	EUR	TR	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIPCEU	PCEUTR
BNP Paribas Rolling Puts and Calls B5 UK	GBP	TR	Long/Short	Option	FTSE 100 Index	BNPIPCGB	PCGBTR

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 dependent
3	Methods and formulae of calculation	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 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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
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Index Name	Currency	Cash Kind	Reference Instrument	Strategy	Bloomberg Code	Cinergy Code
BNP Paribas Buy Write 103 JP Total Return	EUR	TR	Nikkei 225 Index	Buy-Write	BNPIBWJ3	BWJ3TR
BNP Paribas Rules-Based Overwrite Index Always USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOA	RBOANTR
Buy-Write Europe EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWEU	BWEUTR
Buy-Write SX5E 103 EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWE4	BWE4TR
BNP PARIBAS Buy Write 103 US Total Return	EUR	TR	S&P 500 Index	Buy-Write	BNPIBWU6	BWU6TR
BNP PARIBAS ALPHA BUY WRITE 103 EUR TR INDEX	EUR	TR	DJ Euro Stoxx 50 Index	Alpha Buy-Write	BNPIAWE3	AWE3TR
BNP Paribas Alpha Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Alpha Buy-Write	BNPIAWU3	AWU3TR
Rule Based Overwriting Index USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOI	RBOINTR
BNP Paribas Rules-Based Overwrite Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIRBOE	RBOENTR
BNP Paribas Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Buy-Write	BNPIBW4U	BW4UTR
BNP Paribas Maximum Income Equity Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIMIET	MIETTR
PGDF Vente de calls US 102 98 ER	EUR	ER	S&P 500 Index	Buy-Write	BNPIPGUS	PGDFUSDER
PGDF Vente de calls Europe 102 98 ER	EUR	ER	DJ Euro Stoxx 50 Index	Buy-Write	BNPIPGEU	PGDFEURER
PGDF Vente de calls UK 102 98 TR	EUR	ER	FTSE100	Buy-Write	BNPIPGUK	PGDFGBPTR
BNP PARIBAS Dynamic Call Write Leverage 3 EUR TR Index	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPICWE3	CWE3TR
BNP Paribas Enhanced Buy Write SW Total Return Index TR	CHF	TR	SMI Index	Buy-Write	BNPIBWSW	BWSWTR
BNP Paribas UK Enhanced Income Buy Write Index	GBP	TR	FTSE100	Buy-Write	BNPIBWIK	IBWIKTR
BNP Paribas US Enhanced Income Buy Write Index	USD	TR	S&P 500 Index	Buy-Write	BNPIBWU7	IBWU7TR
BNP Paribas Option Vector HK Index	HKD	TR	HengSeng Index	Buy-Write	BNPIOVHK	OVHKTR
BNP Paribas UK Roll Call 103 Total Return TR	GBP	TR	FTSE100	Alpha Buy-Write	BNPIRCU3	RCU3TR
BNP Paribas Buy-Write Gold Index	USD	ER	COMEX GOLD	Buy-Write	BNPIBWGC	BNPIBWGCER

12. Alternative Strategy Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to deliver positive absolute return independently of market conditions.
2	Description of the process of selecting components weighting 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Alternative Strategy Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Strategy applied by Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Equity Extremum Reversion Risk Premia EUR Index	EUR	ER	Fixed Exposure Indices	BNPIERP	IEERP
BNP Paribas Alternative Multi Style Index	EUR	ER	Risk Premia	BNPIAMSE	AMSE
BNP Paribas Alternative Multi Style Vol 2 Index	EUR	ER	Risk Premia	BNPIAMS2	AMS2
BNP Paribas Alternative Multi Style Vol 4 Index	EUR	ER	Risk Premia	BNPIAMS4	AMS4
BNP Paribas Alternative Multi Style Index (USD-Hedged)	USD	ER	Risk Premia	BNPIAMSU	AMSU
BNP Paribas Alternative Multi Style Vol 2 Index (USD-Hedged)	USD	ER	Risk Premia	BNPI2MSU	2MSU
BNP Paribas Alternative Multi Style Vol 4 Index (USD-Hedged)	USD	ER	Risk Premia	BNPI4MSU	4MSU
BNP Paribas RPAI XA Risk Premia Index	CHF	ER	Risk Premia	BNPIRPAI	RPAI
BNP Paribas Risk Premia Volatility Index	EUR	ER	Risk Premia	BNPIRPVO	BNPIRPVO
BNP Paribas Risk Premia Value Index	EUR	ER	Risk Premia	BNPIRPVA	BNPIRPVA
BNP Paribas Risk Premia Carry Index	EUR	ER	Risk Premia	BNPIRPCA	BNPIRPCA
BNP Paribas Risk Premia Momentum Index	EUR	ER	Risk Premia	BNPIRPMO	BNPIRPMO
BNP Paribas Risk Premia Multi Style Vol 4 Index	EUR	ER	Risk Premia	BNPIRPM4	RPM4
BNP Paribas Risk Premia Multi Style Vol 5 Index	EUR	ER	Risk Premia	BNPIRPM5	RPM5
BNP Paribas Core Alternative Strategies Index	EUR	ER	Risk Premia	BNPICASE	CL_CASE
BNP Paribas Core Alternative World Strategies Index	EUR	ER	Risk Premia	BNPICASW	CL_CASW
BNP Paribas Focus Five Index	USD	ER	Risk Premia	BNPIFOFI	CL_FOFI

13. Liberty Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic long or long/short exposure to the performance of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index Component Types. Each Series is maintained, calculated and rebalanced by the Index Calculation Agent following recommendations provided by an Index investment advisor (the " Index Investment Advisor ") in collaboration with the Index Sponsor in accordance with the Index Methodology
2	Description of the process of selecting components weighting factors	Index investment advisor (the "Index Investment Advisor") in collaboration with the Index Sponsor in accordance with the Index Methodology

3	Methods and formulae of calculation	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 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	At the hand of the Index Investment Advisor
7	Type of index	All Indices listed in the table below are part of the Liberty Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Index Investment Advisor	Bloomberg Code	Cinergy Code
BNP Paribas FundQuest Select Core Asset Vol 6 EUR ER	EUR	ER	Fund Quest	BNPIFCA6	FCA6ER
BPI-Philam Asia Growth Index ER	PHP	ER	BPI-Philam	ENHABAGI	ENHABAGIER
BPI-Philam Philippine Growth Index ER	USD	ER	BPI-Philam	ENHABPGI	HABPGIER
Fortis Investment Sigma Best Selection World EU PR	EUR	PR	BNP Paribas IP	FISBSWEP	SWEPR
Sigma SRI World V10 Index EUR PR	EUR	PR	BNP Paribas IP	BIPSSW1P	SSWPR
Cardif Liberty Action EUR ER Index	EUR	ER	Cardif	BNPICDLA	CDLAER
Noble Funds Global Perspective Index	PLN	ER	Noble Funds	ENHANFGP	ENHANFGPER
EFG AM Optimized Income Strategy	USD	ER	Mutual Fund	ENHAEFIS	ENHAEFISER
BPI-Philam Asia Growth 2 Index ER	PHP	ER	BPI-Philam	ENHABAG2	ENHABAG2ER
Phil-China Equity Index USD	USD	ER	BPI-Philam	ENHAPHCE	ENHAPHCEER
Flexible Vol Max 4.5	EUR	TR	Lazard Frères Gestion	ENHALFVM	LFVMTR
Cardif Liberty Rolling Put EUR TR Index	EUR	TR	Cardif	BNPICDLP	CDLPTR
BNP Pariba AL-4U Index	EUR	TR	BNP Paribas Wealth Management	BNPIAL4U	AL4UTR
BNP Pariba AL-4U Index ER	EUR	ER	BNP Paribas Wealth Management	BNPIEV4U	EV4UER
Flexible Vol Max 7.5	EUR	TR	Lazard Frères Gestion	ENHALFV2	LFV2TR
Newcits Funds Index	EUR	ER	KBL European Private Bankers S.A.	ENHAKBLE	KBLEER
E-cerTiFicates Index	EUR	TR	None	BNPIECTF	ECTFTR
BNP Paribas Global Fund Composite Index	EUR	TR	Banca Popolare di Milano S.c.a.r.l.	BNPIGFCI	GFCITR
BNP New Technology TR	USD	TR	None	BNPINTTU	NTUTR
Flexible 5 Vol Max 3.5%	EUR	TR	Lazard Frères	ENHALFV5	LFV5

Index Name	Currency	Cash Kind	Index Investment Advisor	Bloomberg Code	Cinergy Code
			Gestion		
Bedrock-Decalia Silver Generation Index	EUR	TR	Bedrock Decalia	ENHABDAP	CI_ENHABDAP
JSS Impact Opportunities Equities Isovol	USD	TR	Safra Sarrasin	ENHAJSSV	CI_ENHAJSSV
JSS Impact Opportunities Equities NTR	USD	TR	Safra Sarrasin	ENHAJSSI	CI_ENHAJSSI
Sustainable Generation Index	USD	TR	Sanso	ENHASISG	CI_ENHASISG
GG long term Equity Portfolio Index	USD	TR	Kepler	ENHAGGLT	CI_ENHAGGLT

14. Alternative Synthetic Tracker Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide synthetic exposure to the performance of a notional basket of various Index Component Types which are rebalanced on a regular basis with the objective of replicating a long or short position in the global hedge fund industry. The index aims at tracking this exposure by using a dynamic allocation between liquid major market indices. The Hedge Funds industry performance will be represented by a benchmark and the objective of the index will be to minimize the expected tracking error versus this benchmark
2	Description of the process of selecting components weighting factors	The rebalancing will be conducted based on a "tracking" algorithm which aims at optimizing the long replication of the benchmark on an "ex ante" basis
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the Alternative Synthetic Tracker Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Name	Currency	Cash Kind	Bloomberg Code	Cinergy Code
BNP Paribas Alternative Synthetic Tracker (ALSSTAR) Index TR	USD	TR	BNPIAS	ALSSTTR
BNP Paribas Alternative Synthetic Tracker (ALSTAR) Index TR	USD	TR	BNPIAT	ALSTTR

15. Daily Weekly Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index (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	Achieved through delta replication and subject to a maximum exposure of 200% and a minimum exposure of -200%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Daily Weekly Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Fixed/Dynamic	Bloomberg Code	Cinergy Code
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (dynamic rescale) ER	EUR	ER	Euro Stoxx 50	Dynamic	BNPIDWED	WEDER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) ER	EUR	ER	Euro Stoxx 50	Fixed	BNPIDWEF	WEFER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) TR	EUR	ER	Euro Stoxx 50	Fixed	BNPIDTEF	TEFTR
BNP Paribas Mean Reverting Daily Weekly US Strategy (dynamic rescale) ER	USD	ER	S&P 500 Index	Dynamic	BNPIDWUD	WUDER

16. Commodity Indices

16.1 Oscillator Indices

1	Index strategy, investment policy, objective of the Index	The Oscillator indices are a family of commodity indices, each comprised of commodity mono-indices, whose objective is to provide exposure to a diversified basket of up to 19 commodities. A so-called "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
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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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Index Component	Volatility Control	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Oscillator Commodities ER Core Index	USD	ER	Basket of S&P GSCI Dynamic Roll Commodity Mono-Indices	NA	BNP Paribas	BNPMOCCE	MOCCE ER
BNP Paribas Oscillator Commodities ER Index	USD	ER	Basket of Diapason Commodities Mono-Indices	11%	BNP Paribas	BNPIOSCE	OSCER
BNP Paribas Oscillator Commodities EUR Hedged ER Index	EUR	ER	Basket of Diapason Commodities Mono-Indices	11%	BNP Paribas	BNPIOSEE	OSEER

16.2 BNP Paribas Alpha Curve DR Index

The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index. The target weights of the index components of the enhanced index are derived from the weight of each commodity comprised in the Dow Jones-UBS Commodity ex-Precious Metals Index and are adjusted on a yearly basis to maintain the target weighting. If, on any day on which the index is calculated, the weight of any such commodity is observed to be greater than 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) is greater than 35% each, an additional reweighting of the enhanced index will be performed. This mechanism is designed to ensure that the index does not become too highly concentrated in any single commodity, or in the petroleum or soybean sectors. The number of index components in the enhanced index may be adjusted on a yearly basis, following any adjustment of the composition of the Dow Jones-UBS ex-Precious Metals Commodity Index.

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index
2	Description of the process of selecting components weighting factors	Weight of most commodities capped to 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) capped to 35%
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCINergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCINergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Curve DR Index	USD	CL	Dow Jones – UBS Commodity ex-Precious Metals Index	S&P	BNPIDRAC	DRACER
BNP Paribas DR Alpha ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	S&P	BNPIDRXA	DRXAER
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% Index	USD	ER	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIDRX3	DRX3ER
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% EUR Index	EUR	ER	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIDRXE	DRXE

16.3 BNP Paribas Alpha Backwardation Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Backwardation Index is to capture the outperformance of the commodities whose prices are the mostbackwardated by comparison to the commodity market as a whole. The index generates returns by taking long positions in the most
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		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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Backwardation Index	USD	CL	Dow Jones – UBS Commodity Index	S&P	BNPIF3AB	F3ABER
BNP Paribas Alpha Backwardation ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	BNP Paribas	BNPINBXA	NBXAER

16.4 BNP Paribas Alpha Momentum Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Momentum Index is to capture the outperformance of the recent best performing commodities comprised in the Dow Jones-UBS Commodity Index. Commodities which have underperformed the market are weighted negatively, while commodities which have outperformed the market are weighted positively, the weight of each commodity being proportional to its weight in the Dow Jones-UBS Commodity Index
2	Description of the process of	The weights of each index component are calculated on a daily basis

	selecting components weighting factors	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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Momentum Index	USD	CL	Dow Jones - UBS Commodity Index	S&P	BNPIF3AM	F3AMER
BNP Paribas Alpha Momentum ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	BNP Paribas	BNPINMXA	NMXAER

16.5 BNP Paribas Strategy B52 Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Strategy B52 Index is to provide exposure to the commodity market enhanced by i) optimised 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 backwarddated forward curves are increased, while weights of commodities that have recently underperformed the market or that present the least backwarddated forward curves are decreased
3	Methods and formulae of calculation	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 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy B52 Index ER	USD	CL	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	BNP Paribas	BNPIB52P	B52P
BNP Paribas Strategy B52 Index 10% Index	USD	CL	BNP Paribas Strategy B52 Index ER	BNP Paribas	BNPIB52V	B52V
BNP Paribas Strategy B52 Index 10% Index EUR Hedged Daily	EUR	CL	BNP Paribas Strategy B52 Index ER	BNP Paribas	BNPIB52E	B52E

16.6 BNP Paribas Enhanced Roll Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Enhanced Roll Index is to provide broad and UCITS compliant exposure to the commodity market enhanced by optimised investment in futures contracts, determined according to the forward curve of the relevant commodity
2	Description of the process of selecting components weighting factors	The exposure to each commodity is achieved mainly through S&P GSCI Dynamic Roll indices, indices which are themselves invested in future contracts and which use a dynamic roll mechanism, taking into account the shape of the forward curve for the relevant commodity, to reduce the potentially negative effect of rolling futures contracts due to expire on the value of the index.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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
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Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy C51 Index	USD	CL	Bloomberg Commodity Index	Standard and Poor's	BNPIC51P	C51P2ER
BNP Paribas Strategy C52 10% Index	USD	ER	BNP Paribas Strategy C52 Index	BNP Paribas	BNPIC52V	C52VER
BNP Paribas Strategy C52 10% EUR Index	EUR	ER	BNP Paribas Strategy C52 Index	BNP Paribas	BNPIC5VE	C5VE
Optimized Roll Commodity Excess Return Index	USD	CL	Bloomberg Commodity Index	Standard and Poor's	EBCIWTE	EBCIWTE
Optimised Roll Commodity Total Return Index	USD	CL	Bloomberg Commodity Index Total Return	Standard and Poor's	EBCIWTT	EBCIWTT
BNP Paribas Energy & Metals Enhanced Roll ER Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	BNPIC52P	C52PER
BNP Paribas Energy & Metals Enhanced Roll TR Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	BNPIC52T	C52TTR
BNP Paribas Energy & Metals Enhanced Roll ER Index 10%	USD	ER	BNP Paribas Energy & Metals Enhanced Roll ER Index	BNP Paribas	BNPIEM10	EM10
BNP Paribas Energy & Metals Enhanced Roll ER Index 10% EUR Hedged Daily	EUR	ER	BNP Paribas Energy & Metals Enhanced Roll ER Index	BNP Paribas	BNPIEM1E	EM1E

16.7 BNP Paribas Backwardation Momentum DR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Backwardation Momentum DR Alpha Index is to capture the return of a portfolio having a long position in an optimised basket of commodities and a short position in the DJUBS Commodity Index. The optimised basket is comprised of the same commodities as the DJUBS Commodity Index, but exposure to each commodity is made through investment in S&P Dynamic Roll Indices
2	Description of the process of selecting components weighting factors	The weight of each commodity in the optimised follow a momentum mechanism that increases the weights of commodity which have recently outperformed the market, and a backwardation mechanism that increases the weights of commodity presenting the most downward sloping forward curves
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of

		the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Backwardation Momentum DR Alpha Index	USD	CL	Dow Jones – UBS Commodity Index	BNP Paribas	BNPIBMDA	BMDAER
BNP Paribas Backwardation Momentum DR Alpha 5% RUB Hedged Index	RUB	CL	BNP Paribas Backwardation Momentum DR Alpha Index	BNP Paribas	BNPIBA5R	IBA5ER

16.8 BNP Paribas Short ER and TR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Short ER and TR Indices is to provide short exposure to the associated Reference Index on either an excess or total return basis
2	Description of the process of selecting components weighting factors	The Indices contain an automatic rebalancing method, which rebalances each Index if the performance of the Reference Index, measured from the immediately preceding Automatic Index Rebalancing Date or the Index Start Date (where no Automatic Index Rebalancing Date has occurred), is greater than 65%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Systematic
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Short Copper ER Index	USD	ER	S&P GSCI Copper Official Close Index	BNP Paribas	BNPISLPE	BNPISLPEER
BNP Paribas Short Crude Oil ER Index	USD	ER	S&P GSCI Crude Oil Official Close Index	BNP Paribas	BNPISCOE	BNPISCOEER

16.9 BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index (the " BNP Paribas Index ") is to provide absolute return performance by employing a strategy that takes position on spreads of commodity future contracts.
2	Description of the process of selecting components weighting factors	The Index strategy invests in a portfolio of spread of commodity future contracts which systematically rolls on a daily basis a fifth of its notional value, selling spreads positions and buying new ones, to capture the difference in carry cost between future contracts. During the 5th to the 9th Index Calculation Day of each month the Index strategy is limited only to closing spreads positions avoiding the potentially negative effect on buying new future spread position during the roll period of the main commodity benchmarks.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly.
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the table below.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	USD	ER	NA	BNP Paribas	BNPIPRXA	PRXA
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 2% Isovola	USD	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIPRX2	PRX2
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 3% Isovola	USD	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIPRX3	PRX3

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
			Livestock Index			
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPRXE	PRXE
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 2% Isovola EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPR2E	PR2E
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 3% Isovola EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPR3E	PR3E

16.10 BNP Paribas Commodity Dynamic Market Neutral 3.5% Target Volatility ER Index

1	Index strategy, investment policy, objective of the Index	The objective of the index is to provide exposure to a core strategy on a volatility-controlled basis with a target at 3.5% and a maximum exposure to the core strategy at 200%. The core strategy itself intends to capture, on a commodity-by-commodity basis, the usual positive carry cost differential between an enhanced exposure on the forward curve (long leg) and a near-futures exposure on the forward curve (short leg), this using the weights of the Bloomberg Commodity index.
2	Description of the process of selecting components weighting factors	Annual rebalancing of both legs to the annual Bloomberg Commodity Weights.
3	Methods and formulae of calculation	The Index Methodology governing the Index shall be available on https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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	The index below is part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Commodity Dynamic Market Neutral 3.5% Target Volatility ER Index	USD	ER	Bloomberg Commodity index	BNP Paribas Arbitrage SNC	BNPIDMN3 Index	CI_DMN3ER

16.11 BNP Paribas Commodity Time-Series Momentum Ex-Agriculture & Livestock Index

1	Index strategy, investment policy, objective of the Index	The objective of the index is to provide exposure to an absolute return strategy that intends to hold long positions in index components that have experienced an increase in price over the recent period and short positions in index components that have experienced a decrease in price over the recent period, this with a risk target at 5% ("risk" being defined as the realised volatility).
2	Description of the process of selecting components weighting factors	Selection based on a proprietary momentum indicator that will detect price trends.
3	Methods and formulae of calculation	The Index Methodology governing the Index shall be available on https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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	The index below is part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Commodity Time-Series Momentum Ex-Agriculture & Livestock Index	USD	ER	Bloomberg Commodity ex-Agriculture & Livestock Capped index	BNP Paribas Arbitrage SNC	BNPITMXA Index	CI_TMXAER

17. Credit Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Credit Indices is to provide exposure to one or several credit markets, whose credit rating can be either Investment Grade or High Yield, in different regions (Europe or the U.S.). The investment can be made through Credit default swaps or bonds.
2	Description of the process of selecting components weighting factors	The weighting methodology is different for each Credit Index. The weighting may have the objective of tracking a benchmark for Credit Beta Indices, or it may depend on a signal for Credit Alpha Indices.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 otherwise specified below, each 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 https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 Credit Indices family of BNP

		Paribas indices
8	Index Currency	As described in the below table.

Index Name	Currency	Long or Long/Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Investment Grade Europe 5Y Credit Index	EUR	long	ER	Investment Grade European Credit Market	NA	NA	NA	BNPXCEB5	BNP Paribas Arbitrage	CI_BNPXCEB5
BNP Paribas High Yield Europe 5Y Credit Index	EUR	long	ER	High Yield European Credit Market	NA	NA	NA	BNPXCEX5	BNP Paribas Arbitrage	CI_BNPXCEX5
BNP Paribas Senior Financial Europe 5Y Credit Index	EUR	long	ER	European Senior Financial Credit Market	NA	NA	NA	BNPXCE S5	BNP Paribas Arbitrage	CI_BNPXCES5
BNP Paribas Investment Grade US 5Y Credit Index	USD	long	ER	Investment Grade US Credit Market	NA	NA	NA	BNPXCI G5		CI_BNPXCIG5
BNP Paribas High Yield US 5Y Credit Index	USD	long	ER	High Yield US Credit Market	NA	NA	NA	BNPXCH Y5	BNP Paribas Arbitrage	CI_BNPXCHY5
BNP Paribas Credit Time Series Momentum Europe ER Index	EUR	Long/short	ER	High Yield and Investment Grade European Credit Markets	-500% on BNPXCE B5-100% on BNPXCE X5	+500% on BNPXCE B5+100% on BNPXCE X5	5%	BNPXCRME	BNP Paribas Arbitrage	CI_BNPXCRME
BNP Paribas Credit Time Series Momentum US ER Index	USD	Long/short	ER	High Yield and Investment Grade US Credit Markets	-500% on BNPXCE B5-100% on BNPXCE X5	+500% on BNPXCE B5+100% on BNPXCE X5	5%	BNPXCRMU	BNP Paribas Arbitrage	CI_BNPXCRMU
BNP Paribas Credit Compression Europe ER Index	EUR	Long/short	ER	High Yield and Investment Grade European Credit Markets	-400% on BNPXCE B5-100% on BNPXCE X5	+400% on BNPXCE B5+100% on BNPXCE X5	NA	BNPXCRCE	BNP Paribas Arbitrage	CI_BNPXCRCE
BNP Paribas Credit Compression US ER Index	USD	Long/short	ER	High Yield and Investment Grade US Credit Markets	-400% on BNPXCE B5-100% on BNPXCE X5	+400% on BNPXCE B5+100% on BNPXCE X5	NA	BNPXCRCU	BNP Paribas Arbitrage	CI_BNPXCRCU
BNP Paribas Credit Compression MN Europe ER Index	EUR	Long/short	ER	High Yield and Investment Grade European Credit Markets	-500% on BNPXCE B5-100% on BNPXCE X5	+500% on BNPXCE B5+100% on BNPXCE X5	NA	BNPXCEMN	BNP Paribas Arbitrage	CI_BNPXCEMN
BNP Paribas Credit	USD	Long/short	ER	High Yield and	-500% on BNPXCE	+500% on BNPXCE	NA	BNPXCEMN	BNP Paribas	CI_BNPXCUMN

Index Name	Currency	Long or Long/Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Compression MN US ER Index				Investment Grade US Credit Markets	B5-100% on BNPXCE X5	B5+100% on BNPXCE X5			Arbitrage	
BNP Paribas High Yield Defensive Europe ER Index	EUR	Long/short	ER	High Yield European Credit Market	NA	NA	9% (volcap)	BNPIHYPE	BNP Paribas Arbitrage	CI_HYPE ER
BNP Paribas High Yield Europe Defensive Index	EUR	Long/short	TR	High Yield European Credit Market	NA	NA	9% (volcap)	BNPIHYPT	BNP Paribas Arbitrage	CI_HYPT TR

18. Interest Rate Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure to an absolute return strategy by taking long or short positions in selected fixed income instruments (the " Universe ") according to a systematic investment style (the " Style ").
2	Description of the process of selecting components weighting factors	Selection of components is based on rules designed to be consistent with the Style, as set forth in the Index Methodology. Exposure to each component may be long, short or neutral at any time. Furthermore, the weighting applied to each index may be subject to certain constraints such as a Volatility Target, a Maximum Absolute Exposure per Underlying to any underlying asset or an Overall Maximum Exposure.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 Interest Rate Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Universe	Style	Max Abs Exposure per Underlying	Overall Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Kinetic Money Markets Atlantic Excess Return USD Index	USD	Cashless	EUR & USD Money Market Futures	Time series trend	15x DV01 per currency	NA	4%	BPMMM TWU Index	BNP Paribas Arbitrage SNC	CI_BPM MMTWU
BNP Paribas	USD	Cashless	EUR,	X-	+/-50%	NA	NA	BNPIGG	BNP	CI_GGCU

Index Name	Currency	Cash Kind	Universe	Style	Max Abs Exposure per Underlying	Overall Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Global Government Bond Carry Index USD ER			USD, GBP, JPY, CAD 10yr Bond Futures	Sectional Carry	per underlying			CU Index	Paribas Arbitrage SNC	ER

19. Foreign Exchange Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure to an absolute return strategy by taking long or short positions in selected foreign exchange instruments (the "Universe") according to a systematic investment style (the "Style").
2	Description of the process of selecting components weighting factors	Selection of components is based on rules designed to be consistent with the Style and the Universe, as set forth in the Index Methodology. Exposure to each component may be long, short or neutral at any time. Furthermore, the weighting applied to each index may be subject to certain constraints such as a Volatility Target, a Maximum Absolute Exposure per Underlying to any underlying asset or an Overall Maximum Exposure.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily or Monthly, in accordance with the Rebalancing Frequency specified in the table below.
7	Type of index	All indices listed in the table below are part of the Foreign Exchange Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Universe	Style	Rebalancing Frequency	Max Abs Exposure per Underlying	Max Abs Exposure	Bloomberg Code	Calculation Agent	Cinergy Code	Volatility Target
BNP Paribas 1M STEER Index	USD	Cashless	G10 FX 1m Spot Indices	Short-term relative value	Daily	55.56%	400%	BPFXST GU Index	BNP Paribas Arbitrage SNC	CI_BPFX STGU	NA
BNP Paribas GALAXY Diversified Excess Return USD Index	USD	Cashless	G10 + EM FX 1m Spot Indices	FX Carry	Monthly	20.00%	100%	BPFXGD UR Index	BNP Paribas Arbitrage SNC	CI_BPFX GDUR	6% (volcap)

Index Name	Currency	Cash Kind	Universe	Style	Rebalancing Frequency	Max Abs Exposure per Underlying	Max Abs Exposure	Bloomberg Code	Calculation Agent	Cinergy Code	Volatility Target
BNP Paribas GALAXY G10 Excess Return USD Index	USD	Cashless	G10 FX 1m Spot Indices	FX Carry	Monthly	33.33%	100%	BPFXGGUR Index	BNP Paribas Arbitrage SNC	CI_BPFXGGUR	8% (volcap)
BNP Paribas GALAXY Regional Excess Return USD Index	USD	Cashless	G10 + Asia + CEEMEA + Latam FX 1m Spot Indices	FX Carry	Monthly	20%	100%	BPFXGRUR Index	BNP Paribas Arbitrage SNC	CI_BPFXGRUR	6% (volcap)
BNP Paribas GALAXY World Excess Return USD Index	USD	Cashless	Global FX 1m Spot Indices	FX Carry	Monthly	20%	100%	BPFXGWUR Index	BNP Paribas Arbitrage SNC	CI_BPFXGWUR	10% (volcap)
BNP Paribas GALAXY Regional No VolCap USD Index	USD	Cashless	G10 + Asia + CEEMEA + Latam FX 1m Spot Indices	FX Carry	Monthly	20%	220%	BPFXGRUR Index	BNP Paribas Arbitrage SNC	CI_BPFXGXRUR	NA
BNP PARIBAS FX G10 Time Series Momentum ER Index	USD	Cashless	G10 FX 1m Spot Indices	Time Series Trend	Daily	100%	100%	BNPIFXMG Index	BNP Paribas Arbitrage SNC	CI_BNPIFXMG	5%
BNP Paribas FX G10 Risk Premia ER Index USD	USD	Cashless	G10 FX Risk Premia Strats	Multi-Style	Semi-Annually	33.33%	100%	BPFXRPGR Index	BNP Paribas Arbitrage SNC	CI_BPFXRPGR	NA

20. FX Rolling Spot Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure to an equally weighted basket of several staggered forward ("Deliverable") or non-deliverable forward ("NDF") contracts on an FX underlying (the "Underlying Pair") designed such that every day a quasi-constant portion of the basket is rolled forward a fixed time delay, with the goal of maintaining a stable average time to maturity of the foreign exchange contracts in the basket.
2	Description of the process of selecting components weighting factors	Weights of the components are fixed.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on https://indx.bnpparibas.com/nr/@CodeCinergy@.pdf 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 https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf 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 FX Rolling Spot Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Underlying Pair	Forward Type	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas AUD/USD FX Rolling Spot Index	USD	Cashless	AUD/USD	Deliverable	BPFXAUD Index	BNP Paribas Arbitrage SNC	CI_BPFXAUD
BNP Paribas CAD/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXCAD Index	BNP Paribas Arbitrage SNC	CI_BPFXCAD
BNP Paribas CHF/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXCHF Index	BNP Paribas Arbitrage SNC	CI_BPFXCHF
BNP Paribas EUR/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXEUR Index	BNP Paribas Arbitrage SNC	CI_BPFXEUR
BNP Paribas GBP/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXGBP Index	BNP Paribas Arbitrage SNC	CI_BPFXGBP
BNP Paribas JPY/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXJPY Index	BNP Paribas Arbitrage SNC	CI_BPFXJPY
BNP Paribas NOK/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXNOK Index	BNP Paribas Arbitrage SNC	CI_BPFXNOK
BNP Paribas NZD/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXNZD Index	BNP Paribas Arbitrage SNC	CI_BPFXNZD
BNP Paribas SEK/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXSEK Index	BNP Paribas Arbitrage SNC	CI_BPFXSEK
BNP Paribas SEK/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXSEK Index	BNP Paribas Arbitrage SNC	CI_BPFXSEK

CONNECTED THIRD PARTY INDICES

In respect of any Index which is specified in the applicable Final Terms to be a Connected Third Party Index:

- (a) the complete rules governing such Index and information about its performance are freely accessible on the relevant Issuer's or the relevant index provider's website; and
- (b) the governing rules of such Index (including the methodology for the selection and re-balancing of the components of the Index, description of market disruption events and adjustment rules (if any)) are based on pre-determined and objective criteria.

Where:

"Connected Third Party Index" means any Index provided by a legal entity or natural person acting in association with, or on behalf of, the Issuer and is specified as such in the applicable Final Terms.

FORM OF THE BNPP ENGLISH LAW GUARANTEE FOR UNSECURED NOTES

THIS DEED OF GUARANTEE is made on 5 June 2018 by BNP Paribas ("**BNPP**") in favour of the Noteholders and the Accountholders (each as defined below) (together, the "**Beneficiaries**").

WHEREAS:

- (A) BNP Paribas 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 a Note Agency Agreement (the "**Note Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 5 June 2018 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 7 June 2017 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 Note 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 12 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 12 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 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 Note 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 a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured 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 Notes 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 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 exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

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 ENGLISH LAW GUARANTEE FOR SECURED NOTES

THIS DEED OF GUARANTEE is made on 5 June 2018 by BNP Paribas ("**BNPP**") in favour of the Noteholders and the Accountholders (each as defined below) (together, the "**Beneficiaries**").

WHEREAS:

- (A) BNP Paribas 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 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 a Note Agency Agreement (the "**Note Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 5 June 2018 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 certain payment obligations from time to time of BNPP B.V. in respect of the Secured Securities 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 7 June 2017 granted by the Guarantor in respect of Secured Securities 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 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 Note 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, 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, 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 Note 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. BNPP irrevocably waives all notices and demands of any kind.

6. Status

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured 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 Secured Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V..

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 (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 exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

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 FRENCH LAW GUARANTEE FOR UNSECURED NOTES

THIS GUARANTEE is made by BNP Paribas ("**BNPP**") in favour of the noteholders for the time being of the Notes (as defined below) (each a "**Noteholder**").

WHEREAS:

- (A) BNP Paribas 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 a Note Agency Agreement (the "**Note Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 5 June 2018 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 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).

Terms defined in the Terms and Conditions of the Notes, as amended by the applicable Final Terms (the "**Conditions**") and/or the Note Agency Agreement and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Guarantee to any obligation of, or sums or amounts payable by, BNPP B.V. under or in respect of the Notes shall be construed to refer to (if applicable) in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the Guarantee itself is not the subject of such bail-in).

1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Noteholder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Note on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance,

PROVIDED THAT in the case of Notes (other than Credit Securities) where the obligations of BNPP B.V. which fall to be satisfied by BNPP 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 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.

2. Joint liability of BNPP and BNPP B.V.

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Noteholders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Notes, (4) its duties under this Guarantee will not be conditional on or subject to the validity or execution of any other security granted by BNPP B.V. or any other person to the Noteholders, or to the existence or creation of any security for the benefit of the Noteholders, and (5) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

3. BNPP's continuing liability

BNPP's obligations under this Guarantee are and will remain valid and in full effect so long as any amounts remain outstanding, or any obligation remains unperformed, under the Notes.

4. Status

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations, subject to such exceptions as may from time to time be mandatory under French law.

5. Exercise of BNPP's rights

So long as any sum remains payable under the Notes or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

6. BNPP B.V. repayment

If a payment received by, or other obligation discharged to or to the order of, any Noteholder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment or obligation will not reduce BNPP's obligations and this Guarantee will continue to apply as if such payment or obligation had always been due from BNPP B.V.

7. Conditions binding

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

8. Demand on BNPP

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 Rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

9. Governing law and jurisdiction

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings relating to this Guarantee.

Executed in Paris in one original, on 5 June 2018.

BNP PARIBAS

By:

FORM OF THE BNPP FRENCH LAW GUARANTEE FOR SECURED NOTES

THIS GUARANTEE is made by BNP Paribas ("**BNPP**") in favour of the noteholders for the time being of the Notes (as defined below) (each a "**Noteholder**").

WHEREAS:

- (A) BNP Paribas 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 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 a Note Agency Agreement (the "**Note Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 5 June 2018 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 has agreed to irrevocably guarantee certain payment obligations from time to time of BNPP B.V. in respect of the Secured Securities.
- (D) In respect of Secured Securities other than Nominal Value Repack Securities, BNPP B.V. will grant a security interest over assets held in accounts with the Collateral Custodian in favour of the Collateral Agent on behalf of itself and the relevant Holders. In respect of Secured Securities which are Nominal Value Repack Securities, BNPP B.V. will grant a security interest over assets hold in accounts with the Collateral Custodian in favour of the French Collateral Security Agent on behalf of itself and the relevant Secured Parties and will grant a security interest over certain contractual rights in favour of the French Collateral Security Agent on behalf of itself and the relevant Secured Parties.

Terms defined in the Terms and Conditions of the Notes, as amended by the applicable Final Terms (the "**Conditions**") and/or the Note Agency Agreement and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

1. Definitions and interpretations

"**Nominal Value Repack Securities**" means Secured Securities in respect of which Part E of Annex 13 (Additional Terms and Conditions for Secured Securities) applies; and

"**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.

Terms defined in the Terms and Conditions of the Notes, as amended by the applicable Final Terms (the "**Conditions**") and/or the Note Agency Agreement and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

2. Guarantee

Subject as provided below, BNPP hereby irrevocably unconditionally and irrevocably 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, 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 10 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition 6.2. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Note; and
- (b) where the Secured Security is a Nominal Value Repack Security: 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 10 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security 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.

3. Joint liability of BNPP and BNPP B.V.

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2, or where the Securities are 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 8 hereof. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for

reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Noteholders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Secured Securities, and (4) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

4. BNPP's continuing liability

BNPP's obligations under this Guarantee are and will remain valid and in full effect until no Shortfall remains payable under any Secured Security.

5. Status

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

6. Exercise of BNPP's rights

So long as any sum remains payable under the Secured Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V..

7. BNPP B.V. repayment

If a payment received by, or other obligation discharged to or to the order of, any Noteholder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment will not reduce BNPP's obligations in respect of any relevant Shortfall and this Guarantee will continue or obligation to apply in respect of any relevant Shortfall as if such payment or obligation had always been due from BNPP B.V.

8. Conditions binding

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

9. 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.

10. Governing law and jurisdiction

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings relating to this Guarantee.

Executed in Paris in one original on 5 June 2018.

BNP PARIBAS

By:

FORM OF THE BNPPF NOTE GUARANTEE

THIS DEED OF GUARANTEE is made on 5 June 2018 by BNP Paribas Fortis SA/NV ("**BNPPF**") in favour of the Noteholders and the Accountholders (each as defined below) (together, the "**Beneficiaries**").

WHEREAS:

- (E) BNP Paribas Fortis Funding ("**BP2F**"), BNP Paribas Issuance B.V. and BNP Paribas have established a Note, Warrant and Certificate Programme (the "**Programme**").
- (F) 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 "**Note Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 5 June 2018 between, *inter alia*, BP2F, BNPPF, BNP Paribas Securities Services, Luxembourg Branch as agent and BNP Paribas Arbitrage S.N.C. as calculation agent.
- (G) 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**").
- (H) 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.
- (I) In respect of all Notes issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 7 June 2017 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 Note 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 12 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 12 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 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.

3. Taxation

Unless the applicable Final Terms specify that Condition 6.3 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 Note 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 BP2F, 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 Belgian 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 9.

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 exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith (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**").

As part of the initial distribution of the Notes of each Series which constitute Secured Securities, such Notes may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**" except to the extent permitted under an exemption to the U.S. Risk Retention Rules as described under "Risk Factors" at page 324. "**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, there are substantial differences between the two definitions and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Bearer Notes

In relation to English Law Securities, each Tranche of Bearer Notes will be initially issued in the form of a temporary bearer global note (a "**Temporary Bearer Global Note**") or, if so specified in the applicable Final Terms, a permanent global note (a "**Permanent Bearer Global Note**" and together with a Temporary Bearer Global Note, each a "**Bearer Global Note**") which will (i) if the Bearer Global Notes are not intended to be issued in (new global note "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 depositary (the "**Common Depositary**") 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 Bearer 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.

French Law Securities will be in dematerialised bearer form (*au porteur*) and will be inscribed (*inscription en compte*) in the books of Euroclear France which shall credit the accounts of the Holders. No physical document of title will be issued in respect of French Law Securities. French Law Securities have been accepted for clearance through Euroclear France, and through Euroclear France as an intermediary into Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Bearer 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 Temporary Bearer Global 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 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 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 Bearer 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 Bearer Notes, Receipts or 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 implemented 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 implemented 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 depositary 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 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 securities are hedged by matching derivative contracts and/or collateral contracts with BNP Paribas Arbitrage S.N.C. or

BNP Paribas SA. Given the function of BNPP B.V. within the BNP Paribas Group and its asset and liabilities structure, the company generates a limited profit.

- (d) The securities issued by BNPP B.V. are sold to institutional clients, retail and high net worth individuals in Europe, Africa, Asia and Americas, either directly by BNP Paribas or through third party distributors.

3. Trend Information

Due to BNPP B.V. dependence upon BNPP its trend information is the same as that for BNPP set out on page 134 of the BNPP 2017 Registration Document (in English).

4. Share capital

The authorised share capital is composed of EUR225,000 divided into 225,000 shares of EUR1 each. The issued share capital is EUR45,379, divided in 45,379 shares of EUR1 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. Edwin Herskovic, Erik Stroet and Daniel Thielemans as Directors of BNP Paribas Finance B.V. have the power to take all necessary measures in relation to the issue of securities of BNPP B.V.

5.2 Duties of the Management Board

Within the limits of the constitutional documents, the Management Board is responsible for the management of BNPP B.V.

6. Accounts

6.1 Drawing up of annual accounts

The financial year is the calendar year.

6.2 Adoption of annual accounts

The general meeting of shareholders adopts the annual accounts.

7. Material Investments

BNPP B.V. has made no material investments since the date of its last published financial statements other than those related to the issue of securities and its Management Board has made no firm commitments on such material investments in the future.

8. Organisational Structure

BNPP B.V. is a wholly owned subsidiary of BNP Paribas.

BNPP B.V. is dependent upon BNP Paribas in that BNP Paribas develops and markets the Securities, hedges its market, credit and liquidity risks and guarantees the obligations of BNPP B.V. for any issuance of its securities towards investors.

9. Administrative, Management, and Supervisory Bodies

9.1 Names, Business Addresses, Functions and Principal Outside Activities

The names, functions and principal activities performed by it outside BNPP B.V. which are significant with respect to the only director of BNPP B.V. are:

Name	Function	Principal Outside Activities
BNP Paribas Finance B.V.	Managing Director	The facilitation of secondary debt transactions and trading on behalf of the BNP Paribas Group

9.2 Administrative, Management, and Supervisory Bodies Conflicts of Interests

The above-mentioned member of the Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of the Securities, between any duties to BNPP B.V. and its interests or other duties.

10. Board Practices

10.1 Audit Committee

BNPP B.V. does not itself have an audit committee. However, BNPP B.V. is part of the BNP Paribas Group which divides the audit responsibility to review the annual consolidated financial statements of BNP Paribas between a Financial Statement Committee and an Internal Control and Risks Committee.

10.2 Corporate Governance

The Dutch Corporate Governance Code of 8 December 2016 only applies to listed companies. The shares of BNPP B.V. are not listed and therefore the code does not apply. Accordingly, BNPP B.V. is not required to make any disclosure regarding compliance with the code.

11. Historical Financial Information Concerning BNPP B.V.'s Assets and Liabilities, Financial Position and Profits and Losses

BALANCE SHEET IN SUMMARY (before appropriation of the net result)

	31.12.2017	31.12.2016
	(audited)	(audited)
	EUR	EUR
Financial fixed assets	38,797,846,122	34,970,331,780
Current assets	12,041,300,778	13,349,942,128
TOTAL ASSETS	50,839,146,900	48,320,273,908

Shareholder's equity	515,239	488,299
Long term liabilities	38,797,846,122	34,970,331,780
Current liabilities	12,040,785,539	13,849,453,829
TOTAL EQUITY AND LIABILITIES	50,839,146,900	48,320,273,908

PROFIT AND LOSS ACCOUNT in summary

	2017	2016
	(audited)	(audited)
	EUR	EUR
Income including interest received	431,472	399,817
Costs, including interest paid and the tax charge	404,532	376,510
Profit after taxation	26,940	23,307

CASH FLOW STATEMENT in summary

	2017	2016
	(audited)	(audited)
	EUR	EUR
Cash flow from operating activities	(133,429)	276,050
Cash flow from financing activities	0	0
Increase/Decrease cash at banks	(133,429)	276,050
Cash at bank at 31 December	218,633	352,062

DESCRIPTION OF BNPP

A description of BNPP can be found on pages 6 to 15 of the BNPP 2017 Registration Document (in English) 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*".

The Legal Entity Identifier for BP2F is 549300J2UEC8CUFW6083.

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 except debt securities issued by BNPPF.

The principal activities of BP2F are described in the following section.

2. Business overview

Principal activities

BP2F's main object is to act as a financing vehicle 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 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:

Name	Principal activities* performed by them outside BP2F which are significant with respect to BP2F
Dirk Dewitte	Director and CFO of BP2F. Manager KYC Processes BNP Paribas Fortis
Pierre Vanhove	Director of BP2F. Head of medium and long term funding of BNP Paribas Fortis
Catherine Trapani	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
Gaëlle Atarde-Kontzler	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 2016 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 2017 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 2016 and 31 December 2017 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 2017.

Interim and other financial information

At or about the end of September 2018, BP2F will publish unaudited interim financial information for the six month period ended 30 June 2018.

10. Additional information

(a) *Share capital*

BP2F's issued and authorised share capital at 31 December 2017 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 2017, which have been prepared in conformity with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

	31/12/2017	31/12/2016
	in EUR	in EUR
Selected items of the Balance Sheet		
Assets		
Financial assets	3,845,158,426.14	4,426,422,094.46
Debtors (Amounts owed by affiliated undertakings becoming due and payable within one year)	42,240,306.68	153,507,240.70
Total Assets	3,991,551,995.45	4,662,647,188.60
Liabilities		
Capital and reserves	4,494,998.60	4,224,001.83
Non-convertible loans		
- becoming due and payable within one year	572,204,465.24	752,685,671.21
- becoming due and payable after more than one year	3,255,727,220.40	3,661,534,069.09
Charges & Income: selected items		
Income from other investments and loans forming part of the fixed assets	63,937,668.66	92,606,975.73
Other interest receivable and similar income	256,115,719.57	481,287,152.78
Interest payable and similar expenses	-294,491,611.18	-551,328,725.34
Profit or loss for the financial year	470,996.77	135,537.31

The above information for the years ended 31 December 2016 and 31 December 2017 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 2017. The audited and approved annual accounts of BP2F for the years ended 31 December 2016 and 31 December 2017 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).

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.

The Legal Entity Identifier for BNPPF is KGCEPHLVVKVRZYO1T647.

BNPPF is owned for 99.94 per cent. by BNP Paribas S.A. and for 0.06 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 13,443 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 is present in 73 countries with more than 196,000 employees, including close to 149,000 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

BNP Paribas SA has a stake of 99.94% in BNPPF. The remaining shares (0.06%) are held by the public. The SFPI/FPIM has a stake of 7.74% in BNP Paribas SA's capital, subsequent to its 2009 transfer of a 74.93% stake in BNPPF in return for BNP Paribas SA shares and the further sale of part of its BNP Paribas SA shares (i.e. about 2.5% of BNP Paribas SA's capital) with settlement occurring in June 2017. BNPPF holds stakes in a range of subsidiaries (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
- a 21.22% stake in Turk Ekonomi Bankası A.S. ("**TEB**") and a 50% share of TEB Holding A.S., a joint venture with the Colacoglu Group, which holds 55% of TEB's share capital.
- 99.99% share stake in Arval Service Lease S.A.

BNPPF holds minority interest in, among others, AG Insurance (25% + 1 share), Bank BGŽ (28.35%) and BNP Paribas Asset Management (30.85%).

4. The businesses of BNPPF

The major changes in the consolidation scope of BNPPF during 2016 and 2017 were related to the acquisition of Arval Service Lease S.A. Changes in the BNPPF consolidation perimeter comprised, *inter alia*:

- On 8 December 2016 BNP Paribas Fortis SA/NV acquired Arval Service Lease (Arval), the European leader in the automobile leasing sector, formerly a 100%-owned subsidiary of BNP Paribas SA. This transaction concerned the contribution in kind by BNP Paribas S.A. of 100% minus five shares in Arval Service Lease S.A. to the share capital, the sale of five shares in Arval Service Lease S.A. by a number of subsidiaries of BNP Paribas S.A. to a subsidiary of BNP Paribas Fortis and the funding of most of the new business of the Arval group, from the date of closing of the Transaction.
- The transfer of the activities, assets and liabilities of eight European CIB branches of BNP Paribas Fortis SA/NV located in Austria, Czech Republic, Denmark, Finland, the Netherlands, Norway, Romania and Sweden to BNP Paribas S.A. was completed during 2017. It involved also the transfer to BNP Paribas of the funding commitments of the Company towards the transferred businesses.

(i) Retail & Private Banking

Retail Banking offers financial services to individuals, the self-employed, members of independent professions and small businesses. 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.¹
- 747 branches operating under the BNPPF brand are complemented by 297 franchises under the Fintro brand and 662 points of sale of the 50/50 joint venture with bpost bank. Other channels include a fleet

¹ Source: 2017 annual report of BNPPF

of 3,505 ATMs, banking services via the internet through Easy Banking Web, and Mobile banking (together, 1.9 million active users).

- With 32 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 5 million. They benefit from a dedicated service model and are primarily served via two Wealth Management centres in Antwerp and Brussels.

Key developments in 2017

In 2017 Retail & Private Banking made considerable investments in orienting its business model towards the hybrid bank concept, which enables the customer to choose whether to obtain the specialist advice s/he needs at the branches, Bank for Entrepreneurs Centres and Private Banking Centres or through digital channels – Easy Banking Web, Easy Banking App and Easy Banking Centre.

The main achievements on the digital front for the benefit of Individual Clients included:

- The launch of Google Pay for the use of customers with credit and/or debit cards. Contactless payments can be made all over the world with an Android smartphone and the Google Pay app.
- The introduction of the Itsme[®] app. This is a simple and safe way to identify oneself using a smartphone plus a combination of a SIM card and a chosen individual code.
- The launch of an online community based on the Easy Banking Centre. Both customers and non-customers can ask basic questions 24–7 and obtain answers through a peer-to-peer support system. By end-December 2017 this platform already had 50,000 unique monthly visitors.
- The establishment of a mechanism for creating new digital applications in conjunction with customers on Easy Banking Web and Easy Banking App. Some 550 end-users regularly tested out proposed solutions and made suggestions for improvements.

Meanwhile the range of digital services for entrepreneurs and small or medium-sized businesses was further expanded:

- A "Digital Maturity Assessment", introduced in conjunction with Google, is designed to examine businesses' online profile and put forward solutions - such as Google My Business - for putting them more firmly on the "digital map".
- A series of 78 "Digital Workshops with Google" sessions were attended by a total of 3,800 entrepreneurs keen to obtain basic information on how to start up or develop online activities, including website creation, social media use, e-commerce, etc.
- A new internet platform called "Companymakers" was launched. It enables business owners to go online through all the necessary steps for setting up a BVBA/SPRL (private limited liability company) in Belgium, including requirements regarding *inter alia* the bank, the notary and the social security system. This platform, which simplifies and speeds up the process of setting up a company, is unique on the Belgian market.
- A new online programme called ICE³ was launched, providing Entrepreneur clients with a fast, easy digital mechanism for requesting an instalment loan with a minimum amount of detail required.

- The rollout of Paysquare Belgium helped the Bank to strengthen its competitive position in the field of payment acceptance and transaction processing (known as "acquirin") with an attractive offering for private- and public-sector enterprises, merchants, independent service providers and members of the professions.

Optimisation of the Retail & Private Banking network continued in 2017, as the branch format evolved with the introduction of a new concept called Be.Connected. The traditional approach to personal customer contact is supplemented by digital coaching, enabling the customer to experience digital innovations hands-on. Meanwhile the number of independent branches was expanded and new specialist jobs created in the field of mortgage lending, insurance and digital banking services. Expertise available in the branch network was also stepped up as 1,450 staff were given advanced training as Priority Banking Advisors.

The implementation of the new MiFID 2 Directive as from 3 January 2018 called for intensive staff training and preparation, especially in second-half 2017. A large-scale "change programme" was carried out among branch staff and private bankers, with extensive e-learning modules and advanced coaching. A number of documents – available both in paper form and on Easy Banking Web – were specially drawn up to inform clients of the new rules.

The low interest rates helped to boost demand for mortgage loans. Despite a slight decrease versus 2016, volumes remained at a high level. However, there was a sharp decline in mortgage refinancing compared with 2016; the figure was lower than that for new applications. As regards consumer credit, volumes were buoyed by "loan bundling", and consequently than in 2016.

Funds in both current and savings accounts remained largely stable, in spite of the prevailing low interest rates. Nevertheless, increasing numbers of customers are now switching their money over to investment opportunities. Retail banking customers are becoming more interested in Socially Responsible Investments ("SRI"). SRI funds have been launched specifically for Retail customers and around one third of all new investments are now in SRI products.

Private Banking saw a sharp rise in placements in SRI-focused Private strategy funds during 2017. As with Retail customers, about one third of all new investment, in volume terms, went into SRI products, including funds, financial insurance and notes and almost half of all new wealth management contracts provide for investment in at least one SRI product. At end-2017, the BNP Paribas Fortis Private SRI fund had EUR 5.78 billion worth of assets from over 28,000 investors under management, which makes it the largest strategic SRI fund in the eurozone.

- **BGL BNP Paribas SA**

The BGL BNP Paribas Retail & Corporate Banking business provides – variously through Retail Banking, Corporate Banking, Private Banking Luxembourg and Direct Banking – a broad range of financial products and services, including current accounts, savings products and bancassurance, plus specialised services for professionals and companies, such as cash management, leasing and factoring.

BGL BNP Paribas SA serves its clients through 41 branches, 5 Private Banking Centres for high-net-worth residents of the Grand Duchy and 7 business centres that provide services exclusively to self-employed professionals. It also has one of the country's most extensive ATM networks.

- **TEB**

BNPPF operates in Turkey through TEB, in which it holds a 48.72% stake. TEB ranks 10th 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.

Steadily increasing the accessibility of its services, TEB today operates through a total of 515 branches and over 1,700 automated teller machines throughout Turkey. While growing the network, TEB is also working to improve efficiency. During the period from end-2009 to end-2016, the bank achieved significant improvements in most of the efficiency indicators.

(ii) Corporate Banking Belgium and Corporate & Institutional Banking

A thorough reorganisation, bringing the Corporate and Institutional Banking ("**CIB**") Belgium business within the same fold as Corporate and Public Banking ("**CPBB**") Belgium, had already begun in 2016, with a view to becoming the bank of choice for corporate clients in Belgium and abroad by 2020. Accordingly, CIB and CPBB began operating in 2017 as a single division under the simplified name Corporate Banking ("**CB**"), under a single divisional Head. The new enlarged CB entity, with its unified structure, is now better equipped to meet clients' needs, providing immediate support and benefits to the clients during the reorganisation.

With its well-developed, diversified and integrated business and service model, CB has the ability to serve a wide range of clients, including small and medium-sized companies, Belgian and European corporates, financial institutions, institutional investors, public entities and local authorities. CB has a strong client base among large and medium-sized companies and is the market leader in these two categories, as well as a strong challenger in the public sector. Providing a wide range of both traditional and bespoke specialised solutions and services, and drawing on the international network of the BNP Paribas Group across more than 70 countries, CB continues to meet the precise financing, transaction banking, investment banking and insurance needs of its clients.

CB made strenuous efforts in 2017 towards becoming the preferred bank for corporates in Belgium and abroad by providing them with convenient access to unique banking solutions, using innovative digital tools. During the year, CB established the "client-obsessed" principle, which will be the basis for each and every strategic decision going forward. In particular the service model requires some improvements in order to meet all clients' financial needs precisely and rapidly. With its new organisation, CB is now better equipped to respond to the evolving expectations of its clients.

CB continued to drive ahead with its digital transformation roadmap – a key element underpinning the "client-obsessed" service model – in 2017. The division enhanced its servicing model by expanding its client- and data-driven digital channels and launching a number of new initiatives. To help both relationship managers and clients to pursue their digital transformation journey, a digital activation tool was rolled out and special digital channel advisors appointed to each Business Centre.

2017 was also an important year for CB as regards supporting the transition to a more sustainable economy. Initiatives in this field came under four main headings: Decarbonisation, Human Capital, the Circular Economy and Smart Cities. During the year, CB embarked on a range of solutions intended to promote a low-carbon economy, support investment in education and health and help develop smart infrastructure in Belgian cities.

Market positions

- Strong leadership position in Belgium with more than 600 corporate clients and 7,500 midcaps, and a challenger in public banking (400 clients).
- High penetration rate among selected European customers (e.g. internationally active SMEs).

Additional information

- BNPPF has established a EUR 10,000,000,000 covered bond (*residential mortgage pandbrieven/lettres de gage*) programme dated 12 September 2016 with BNPPF and BNPP acting as arrangers and dealers. BNPPF has already issued under its covered bond programme.

5. BNPPF 2017 Financial Results

The below analysis focuses on underlying evolution, which excludes the following non-recurrent items: impacts of scope changes, evolution of foreign exchange rates and other one-off results.

In 2017, **revenues** of BNP Paribas Fortis amounted to EUR 8,119 million, down by -0.4%*. Lower revenues in Belgium² were compensated by growing revenues from Personal Finance, Leasing Solutions and in Turkey.

- In Belgium, revenues decreased by -2.3%* due to:
 - In Belgian Retail Banking ("**BRB**"), the persistently low interest rate environment partly compensated by good volume growth and higher financial fees;
 - In CIB, the pressure on Corporate Acquisition Financing and Forex Trading at Global Markets, despite higher results from interest rate activity.
- Revenues increased by 2.7%* on the other business lines essentially driven by the continued development at Personal Finance, at Leasing Solutions and in Turkey.

Operating expenses and depreciations amounted to EUR 4,831 million, up by 1.5%* compared to 2016.

- In Belgium, costs increased by 0.7%* due to higher banking taxes and levies and in spite of operating efficiency measures at both BRB and CIB activities.
- On the other activities, costs increased by 3.1%* mainly in Turkey, Personal Finance and Leasing Solutions to support the business development.

As a result, **gross operating income** decreased by -3.0%* to EUR 3,288 million. The consolidated cost/income ratio² stood at 59.5% compared to 60.2% in 2016 (excluding the non-recurrent items the cost/income ratio deteriorated by 1.1pp compared to 2016). In Belgium, it stood at 66.2% compared to 65.7% in 2016.

Cost of risk stood at EUR 338 million, corresponding to a low level of 18 basis points of average outstanding customer loans compared to 25 basis points in 2016.

Share of earnings of equity-method entities was up by 23.9%*, at EUR 278 million, mainly supported by better contributions of AG Insurance, Bank BGŻ BNP Paribas (Poland) and BNP Paribas Asset Management.

Excluding non-recurrent items, the **effective tax rate** amounted to 28%.

* Excluding non-recurrent items, i.e. at constant scope, constant exchange rates, and excluding other one-off results.
² Belgium includes Belgian Retail Banking (BRB), CIB BE and other activities of BNP Paribas Fortis in Belgium.

BNP Paribas Fortis generated EUR 1,897 million in **net income attributable to equity holders**, down by -0.5%* compared to last year.

The BNP Paribas Fortis **balance sheet total** amounted to EUR 278 billion at 31 December 2017, a reduction of 20 billion compared to the end of 2016 fully explained by the non-recurrent items. From a segment reporting point of view, 65% of the assets are related to banking activities in Belgium, 9% to banking activities in Luxembourg, 15% to Other Domestic Markets³, 7% to banking activities in Turkey and 4% to other segments.

At 31 December 2017, BNP Paribas Fortis' fully loaded⁴ **Common Equity Tier 1 ratio** stood at 14.5% assuming that the Annual General Meeting of Shareholders will approve the proposal not to distribute any dividend, and the phased-in Common Equity Tier 1 ratio stood at 15.2%. The Bank's **Liquidity Coverage Ratio (LCR)** stood at 120%⁵.

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 26 April 2018, the Board of Directors was composed of 14 members, of which nine members are non-executive and six 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 26 April 2018, 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

³ The cost income ratio is calculated by dividing the operating expenses and depreciation (absolute value) by the revenues (the net banking income).

⁴ Ratio taking into account all the CRD4 rules with no transitory provisions.

⁵ On a non-consolidated basis.

- Sofia Merlo
- Dominique Aubernon

Six 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
- Michael Anseeuw
- Stéphane Vermeire

Executive Committee

The Executive Committee consists of 14 members, the six members of the Executive Board in their respective responsibilities, together with eight heads of businesses or support services (reporting line between brackets). The Executive Committee ("**ExCo**") has been set-up to assist the Executive Board ("**ExBo**") 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
- Michael Anseeuw, Head of Retail Banking
- Stéphane Vermeire, Head of Private Banking and Wealth Management
- Bert Van Rompaey, Head of Human Resources
- Vincent Bernard, Chief Financial Officer
- Carine De Nys, Chief Compliance Officer
- Sonja Noben, Chief Information Officer
- Sandra Wilikens, Secretary General
- Jo Coutuer, Chief Data Officer

- Dirk Beeckman, Head of Transformation Office
- Daniel de Clerck, Head of E2E Operations

BNP Paribas Fortis organisation chart

April 26, 2018



Principal activities performed by members of the Board of Directors and the Executive Board outside BNPPF which are significant with respect to BNPPF (and confirmed as of 26 April 2018)

- 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 & Risk Committee (via DAB Management); Smile Invest NV, member of the Investment Committee; Smile Invest Management Company NV, Director.
- Antoinette d'Aspremont Lynden: Groupe Bruxelles Lambert SA, Director and Chairman of the Audit Committee.
- Sophie Dutordoir: Nationale Maatschappij der Belgische Spoorwegen (Belgian Rail) SA, Managing Director; Eurostation SA, Vice Chairman of the Board of Directors; Eurogare SA, Director; Ypto SA, Director & Chairman of the Board of Directors; HR Rail SA, Director; THI Factory SA, Director & Chairman of the Board of Directors; Thalys International SCRL, Director & Chairman of the Board of Directors.
- 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 BNP Paribas USA Inc., Board Member; Ardo Holding NV, Director.
- 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: SD Worx Group NV, Director & Chairman of the Board of Directors; S.D. Work for Society, Chairman; S.D. Worx België NV, Director & Chairman of the Board of Directors; SD Worx Holding NV, Chairman of the Board of Directors (through Gingko Associates); 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 Audit & Risk 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: Line Data Services S.A., Director.
- Michael Anseeuw: Bancontact Company NV, Director; B-Hive.eu CVBA, Director; Isabel NV, Director; Belgian Mobile ID NV, Director; BNP Paribas Fortis Private Equity Belgium NV, Director; AG Insurance NV, Director; Alpha Credit NV, Director; Lets Didid NV, Director.
- Stéphane Vermeire: BNP Paribas Asset Management Holding S.A., Director; BNP Paribas Fortis Foundation, Director; Private Banking Association of Belgium, Director; Fondation Roi Baudoin, member of the advisory committee.

Administrative, management, and supervisory bodies conflicts of interests

To the best of BNPPF's knowledge, and besides those conflicts indicated hereafter, no other conflicts of interest exist between any duties to BNPPF of the persons set out above and their private interests and/or other duties disclosed hereafter. However, functional conflicts of interest may exist due to roles held by these persons in other affiliates of BNPPF.

Page 192 of the 2017 annual report of BNPPF (incorporated by reference in this Base Prospectus), relates to the "Remuneration and benefits awarded to the BNP Paribas Fortis Executive Directors" and refers to a decision of a meeting held by the Board of Directors of BNPPF on 9 March 2017.

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

BNP Paribas Fortis is of the opinion that it complies with the large majority of the requirements of the Code. The main remaining deviation relates to Principle 8 of the Code "The company shall enter into a dialogue with shareholders and potential shareholders based on a mutual understanding of objectives and concerns". The reason that makes the company unable to comply with all the provisions of Principle 8 of the Code lies within the structure of the shareholdership of BNP Paribas Fortis. Specifically, BNP Paribas SA, a public limited company ("*société anonyme*" / "*naamloze vennootschap*"), having its registered office address at boulevard des Italiens 16, 75009 Paris, France, registered under number 662 042 449 RCS Paris, holds 99.94% of the shares of BNP Paribas Fortis. The remaining 0.06% of the shares is held by minority shareholders. Nevertheless, BNP Paribas Fortis communicates on an ongoing basis with its various stakeholders through its website and other media and actively answers to the questions raised by its minority shareholders in the framework of the general shareholders' meetings.

BNP Paribas Fortis's Corporate Governance Charter is available on its public website.

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

8.1 Macroeconomic environment.

Macroeconomic and market 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.

In 2017, global growth increased to about 3.5%, reflecting an improvement in all geographic regions. In the large developed countries, this increase in activity is leading to a tightening of, or a tapering of accommodating monetary policy. However, with inflation levels still very moderate, the central banks are able to manage this transition very gradually, without compromising the economic outlook. The International Monetary Fund (**IMF**) expects worldwide growth to strengthen further in 2018 and has revised its forecast from +3.6% to +3.7%: the slight slowing down expected in the advanced economies should be more than offset by the forecast improvement in the emerging economies (driven by the recovery in Latin America and the Middle East, and despite the structural lower pace of economic growth in China).

In this context, the following two risk categories can be identified:

(i) **Risks of financial instability due to the conduct of monetary policies**

Two risks should be emphasised: a sharp increase in interest rates and the current very accommodating monetary policy being maintained for too long.

On the one hand, the continued tightening of monetary policy in the United States (which started in 2015) and the less-accommodating monetary policy in the euro zone (planned reduction in asset purchases starting in January 2018) involve risks of financial turbulence. The risk of an inadequately controlled rise in long-term interest rates may in particular be emphasised, under the scenario of an unexpected increase in inflation or an unanticipated tightening of monetary policies. If this risk materialises, it could have negative consequences on the asset markets, particularly those for which risk premiums are extremely low compared to their historic average, following a decade of accommodating monetary policies (credit to non-investment grade corporates or countries, certain sectors of the equity markets, real estate, etc.).

On the other hand, despite the upturn since mid-2016, interest rates remain low, which may encourage excessive risk-taking among some financial market participants: lengthening maturities of financings and assets held, less stringent credit policy, and an increase in leveraged financings. Some of these participants (insurance companies, pension funds, asset managers, etc.) have an increasingly systemic dimension and in the event of market turbulence (linked for example to a sharp rise in interest rates and/or a sharp price correction) they could be brought to unwind large positions in relatively weak market liquidity.

(ii) **Systemic risks related to increased debt**

Macro-economically, the impact of a rate increase could be significant for countries with high public and/or private debt-to-GDP. This is particularly the case for the United States and certain European countries (in particular Greece, Italy, and Portugal), which are posting public debt-to-GDP ratios often above 100% but also for emerging countries. Between 2008 and 2017, the latter recorded a marked increase in their debt, including foreign currency debt owed to foreign creditors.

The private sector was the main source of the increase in this debt, but also the public sector to a lesser extent, particularly in Africa. These countries are particularly vulnerable to the prospect of a tightening in monetary policies in the advanced economies. Capital outflows could weigh on exchange rates, increase the costs of servicing that debt, import inflation, and cause the emerging countries' central banks to tighten their credit conditions. This would bring about a reduction in forecast economic growth, possible downgrades of sovereign ratings, and an increase in risks for the banks.

While the exposure of the BNP Paribas Group to emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the BNP Paribas Group (including BNPPF) and potentially alter its results.

It should be noted that debt-related risk could materialise, not only in the event of a sharp rise in interest rates, but also with any negative growth shocks.

8.2 **Laws and regulations applicable to financial institutions**

Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPPF. 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 BNPPF notably include:

- the structural reforms comprising the Belgian banking law of 25 April 2014 (as amended) on the status and supervision of credit institutions, the "Volcker rule" in the US, which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks, and upcoming potential changes in Europe;
- regulations governing capital: the Capital Requirements Directive IV ("CRD 4")/the Capital Requirements Regulation ("CRR"), the international standard for total loss absorbing capacity ("TLAC") and the designation of BNP Paribas (the parent company of BNPPF) as a financial institution that is of systemic importance by the Financial Stability Board;
- the European Single Supervisory Mechanism and the ordinance of 6 November 2014;
- 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;
- 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;
- 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;

- the new Markets in Financial Instruments Directive ("**MiFID**") and Markets in Financial Instruments Regulation ("**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;
- the General Data Protection Regulation ("**GDPR**") that became effective on 25 May 2018, moving the European data confidentiality environment forward and improving personal data protection within the European Union. Businesses run the risk of severe penalties if they do not comply with the standards set by the GDPR. This Regulation applies to all banks providing services to European citizens; and
- the finalisation of Basel 3 published by the Basel committee in December 2017, introducing a revision to the measurement of credit risk, operational risk and credit valuation adjustment ("**CVA**") risk for the calculation of risk-weighted assets . These measures are expected to come into effect in January 2022 and will be subject to an output floor (based on standardised approaches), which will be gradually applied as of 2022 and reach its final level in 2027.

Moreover, in today's tougher regulatory context, the risk of noncompliance with existing laws and regulations, in particular those relating to the protection of the interests of customers, is a significant risk for the banking industry, potentially resulting in significant losses and fines. In addition to its compliance system, which specifically covers this type of risk, the BNP Paribas Group places the interest of its customers, and more broadly that of its stakeholders, at the heart of its values. The new code of conduct adopted by the BNP Paribas Group in 2016 sets out detailed values and rules of conduct in this area.

8.3 **Cyber security and technology risk**

BNPPF's ability to do business is intrinsically tied to the fluidity of electronic transactions as well as the protection and security of information and technology assets.

The technological change is accelerating with the digital transformation and the resulting increase in the number of communications circuits, proliferation in data sources, growing process automation, and greater use of electronic banking transactions.

The progress and acceleration of technological change are giving cybercriminals new options for altering, stealing, and disclosing data. The number of attacks is increasing, with a greater reach and sophistication in all sectors, including financial services.

The outsourcing of a growing number of processes also exposes the BNP Paribas Group to structural cyber security and technology risks leading to the appearance of potential attack vectors that cybercriminals can exploit.

Accordingly, the BNP Paribas Group has set up a second line of defence within the risk function with the creation of the Risk ORC ICT Team dedicated to managing cyber security and technology risk. Thus, standards are regularly adapted to support BNPPF's digital evolution and innovation while managing existing and emerging threats (such as cyber-crime, espionage, etc.).

9. **Profit forecasts or estimates**

This Base Prospectus does not include any profit forecasts or estimates with regard to BNPPF.

10. Accredited statutory auditors of BNPPF

The financial statements for the year ending 31 December 2017 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, Gateway Building, Luchtaven Nationaal 1J, 1930, Zaventem, Belgium, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 29 March 2018. All are members of the *Instituut der Bedrijfsrevisoren (IBR)/Institut des Reviseurs d'Enterprises (IRE)*.

The financial statements for the year ending 31 December 2016 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, Gateway Building, Luchtavan Nationaal 1J, 1930, Zaventem, Belgium, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 4 April 2017. All are members of the *Instituut der Bedrijfsrevisoren (IBR)/Institut des Reviseurs d'Enterprises (IRE)*.

Since the Annual Shareholders' Meeting of 19 April 2018, PwC Bedrijfsrevisoren bcvba/Reviseurs d'Enterprises scrl, represented by Damien Walgrave, are the sole statutory auditors of BNP Paribas Fortis SA/NV.

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 2017 (being the end of the last financial period for which audited financial statements have been published).

12. Material adverse change

There has been no material adverse change in the prospects of BNPPF since 31 December 2017 (being the end of the last financial period for which audited financial statements have been published).

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 7.a (Contingent liabilities: legal proceeding and arbitration) on pages 128 to 129 in the 2017 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 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 and Euroclear

Clearstream, Luxembourg and Euroclear 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 and Euroclear provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg and Euroclear also deal with domestic securities markets in several countries through established depository and custodial relationships. Clearstream, Luxembourg and Euroclear have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream, Luxembourg and Euroclear customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg and Euroclear 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. Customers of Euroclear France are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

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.

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, Belgium, France, Italy, Luxembourg, Poland, Portugal, Romania, Spain, the United Kingdom, and the United States, as applicable, as of the date of this Base Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Securities. Each prospective holder or beneficial owner of Securities should consult its tax adviser as to each of the Belgian, the French, the Italian, the Luxembourg, the Polish, the Portuguese, the Romanian, the Spanish, the United Kingdom, and the U.S. federal income tax consequences, as applicable, of any investment in or ownership and disposition of the Securities.

BELGIAN TAXATION

Taxation in Belgium

The following summary describes the principal Belgian withholding tax considerations with respect to the holding of the Notes obtained by an investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Notes. In some cases, different rules may be applicable. Furthermore, the tax rules can be amended in the future, possibly with retroactive effect, and the interpretation of the tax rules may change.

This summary is based on the Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this offer in Belgium, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

This summary does not describe the tax consequences for a holder of Notes that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Notes and/or any tax consequences after the moment of exercise, settlement or redemption. In addition, it does not cover Warrants issued in accordance with the rules set out in the Act of 26 March 1999 on the Belgian Action Plan for Employment 1998 and other miscellaneous measures.

Each prospective holder of Notes should consult a professional adviser with respect to the tax consequences of an investment in the Notes taking into account the influence of each regional, local or national law.

For Belgian tax purposes, if interest is in a foreign currency, it is converted into euro on the date of payment or attribution.

1. Structured Notes

On 25 January 2013, the Belgian tax authorities issued a circular letter on the Belgian tax treatment of income from structured securities characterised by an uncertain return on investment due to the variation of the coupons or the repayment terms at maturity, such as securities whose return is linked to the evolution of underlying products. According to the circular letter, the transfer of structured securities to a third party (other than the Issuer) results in taxation as interest income of the "pro rata interest", calculated on an unclear formulae. In addition, any amount paid in excess of the initial issue price upon redemption or repayment of the structured securities is considered as interest for Belgian tax purposes. It is highly debatable whether the circular letter is in line with Belgian tax legislation. Furthermore, it is unclear whether the Belgian tax authorities will seek to apply the principles set out in the circular letter to the structured Notes (the "**Structured Securities**").

It is assumed that any gains realised upon redemption or repayment by the Issuer will indeed be viewed as interest by the Belgian tax authorities (and any such gains are therefore referred to as "interest" for the purposes of the following paragraphs), but that the effective taxation of the "pro rata interest" in case of sale to a third party (ie other than the Issuer) would not be possible, on the basis that it is currently impossible to determine the amount of the "pro rata interest".

1.1 Repayment or redemption by the Issuer

(i) Belgian resident individual investors

Individuals who are holders of Structured Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*"), are subject

to the following tax treatment with respect to the Structured Securities in Belgium. Other rules may be applicable in special situations, in particular when individuals resident in Belgium acquire the Structured Securities for professional purposes or when their transactions with respect to the Structured Securities fall outside the scope of the normal management of their own private estate.

Payments of interest (as defined by Belgian tax laws) on the Structured Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Structured Securities in their personal income tax return, provided Belgian withholding tax was levied on these interest payments

Nevertheless, Belgian resident individuals may elect to declare interest on the Structured Securities in their personal income tax return. Also, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, whichever is more beneficial) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability.

(ii) Belgian resident corporate investors

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting/Impôt des sociétés*") are subject to the following tax treatment with respect to the Structured Securities in Belgium.

Interest received by Belgian corporate investors on the Structured Securities will be subject to Belgian corporate income tax at the ordinary corporate income tax rate of 29.58 per cent. (with a reduced rate of 20.40 per cent. applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25 per cent. (and 20 per cent.) as of 1 January 2020 onwards, but lower rates apply to small income companies under certain conditions). If the income has been subject to a foreign withholding tax, a foreign tax credit will be applied on the Belgian tax due. For interest income, the foreign tax credit is generally equal to a fraction where the numerator is equal to the foreign tax and the denominator is equal to 100 minus the rate of the foreign tax, up to a maximum of 15/85 of the net amount received (subject to some further limitations). Capital losses are in principle tax deductible.

Interest payments on the Structured Securities made through a paying agent in Belgium are in principle subject to a 30 per cent. withholding tax, but can under certain circumstances be exempt from Belgian withholding tax, provided that certain formalities are complied with. For zero or capitalisation bonds, an exemption will only apply if the Belgian company and the Issuer are associated companies within the meaning of article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code of 1992. The withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*") are subject to the following tax treatment with respect to the Structured Securities in Belgium.

Payments of interest on the Structured Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the deduction and payment of the 30 per cent. withholding tax.

1.2 Sale to a third party

No Belgian withholding tax should apply to the sale of the Structured Securities.

(i) Belgian resident individual investors

Individuals who are holders of Structured Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*"), are currently not liable to Belgian income tax on the capital gains (if any) realised upon disposal of the Structured Securities to a third party, provided that the Structured Securities have not been used for their professional activity and that the capital gain is realised within the framework of the normal management of their private estate. Capital losses realised upon disposal of the Structured Securities held as a non-professional investment are in principle not tax deductible.

However, Belgian resident individuals may be subject to a 33 per cent. Belgian income tax (plus local surcharges) if the capital gains on the Structured Securities are deemed to be speculative or outside the scope of the normal management of the individuals' private estate. Capital losses arising from such transactions are not tax deductible.

Capital gains realised upon transfer of Structured Securities held for professional purposes are taxable at the ordinary progressive income tax rates (plus local surcharges), except for Structured Securities held for more than five years, which are taxable at a separate rate of 16.5 per cent. (plus local surcharges). Capital losses on the Structured Securities incurred by Belgian resident individuals holding the Structured Securities for professional purposes are in principle tax deductible.

(ii) Belgian resident corporate investors

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting/Impôt des sociétés*"), are liable to Belgian corporate income tax on the capital gains (if any) realised upon disposal of the Structured Securities to a third party, irrespective of whether such Structured Securities relate to shares or other assets or indices. The current standard corporate income tax rate in Belgium is 29.58 per cent. (with a reduced rate of 20.40 per cent, applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25 per cent. (and 20 per cent.) as of 1 January 2020 onwards.

Capital losses realised upon disposal of the Structured Securities are in principle tax deductible.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*"), are currently not liable to Belgian income tax on capital gains (if any) realised upon disposal of the Structured Securities to a third party.

Capital losses realised upon disposal of the Structured Securities are in principle not tax deductible.

2. Notes

The following summary describes the principal Belgian withholding tax considerations with respect to Notes other than Structured Securities.

For Belgian tax purposes, the following amounts are qualified and taxable as "interest": (i) periodic interest income, (ii) amounts paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) in case of a realisation of the Notes between two interest payment dates, the pro rata of accrued interest corresponding to the period during which the investor held the Notes in the period between the two interest payment dates. For the purposes of the following paragraphs, any such gains and accrued interest are therefore referred to as interest.

(i) Belgian resident individual investors

Individuals who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*") and who hold the Notes as a private investment, are in Belgium subject to the following tax treatment with respect to the Notes.

Other tax rules apply to Belgian resident individuals who do not hold the Notes as a private investment.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return and will be taxed at a flat rate of 30 per cent.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless the capital gains are realized outside the scope of the normal management of one's private estate or unless the capital gains qualify as interest (as defined above). Capital losses are in principle not tax deductible.

(ii) Belgian resident corporate investors

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting/Impôt des sociétés*"), are in Belgium subject to the following tax treatment with respect to the Notes.

Interest derived by Belgian corporate investors on the Notes and capital gains realised on the Notes will be subject to Belgian corporate income tax at the ordinary corporate income tax rates (the ordinary corporate income tax rate is 29.58 per cent. (with a reduced rate of 20.40 per cent, applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25 per cent. (and 20 per cent.) as of 1 January 2020 onwards, but lower rates apply to small income companies under certain conditions). If the income has been subject to a foreign withholding tax, a foreign tax credit will be applied on the Belgian tax due. For interest income, the foreign tax credit is generally equal to a fraction where the numerator is equal to the foreign tax and the denominator is equal to 100 minus the rate of the foreign tax, up to a maximum of 15/85 of the net amount received (subject to some further limitations). Capital losses are in principle tax deductible.

Interest payments on the Notes made through a paying agent in Belgium are in principle subject to a 30 per cent. withholding tax, but can under certain circumstances be exempt from Belgian withholding tax, provided that certain formalities are complied with. For zero or capitalisation bonds, an exemption will only apply if the Belgian company and the Issuer are associated companies within the meaning of article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code of 1992. The withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/Impôt des personnes morales*") are subject to the following tax treatment with respect to the Notes in Belgium.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the declaration and payment of the 30 per cent. withholding tax.

Capital gains realized on the sale of the Notes are in principle tax exempt, unless the capital gain qualifies as interest (as defined). Capital losses are in principle not tax deductible.

3. Tax on stock exchange transactions

The sale and acquisition of the Notes on the secondary market is subject to a tax on stock exchange transaction ("*Taxe sur les opérations de bourse/Taks op de beursverrichtingen*") if (i) executed in Belgium through a professional intermediary or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax is generally due currently at a rate of 0.12 per cent. for Notes on each sale and acquisition separately, with a maximum of EUR 1,300 per taxable transaction for Notes. A separate tax is due by each party to the transaction, and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative for tax purposes, which will be liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary.

Exemptions apply for certain categories of institutional investors and non-residents. Transactions on the primary market are not subject to this tax.

As stated below, the European Commission has published a draft Directive for a FTT. The draft directive currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

4. Tax on securities accounts

The law of 7 February 2018 (published in the Belgian State Gazette on 9 March 2018) introduces a tax on securities accounts ("*Taks op de effectenrekeningen/Taxe sur les comptes-titres*"). Pursuant to this law, Belgian resident and non-resident individuals are taxed at a rate of 0.15 per cent. on their share in the average value of qualifying financial instruments (i.e. shares, share certificates, bonds, bond certificates, units or shares in investment funds or companies (except if acquired or subscribed to in the context of a life insurance or pension savings arrangement), medium-term notes ("*kasbons/bons de caisse*") and warrants) held on one or more securities accounts with one or more financial intermediaries during a reference period of 12 consecutive months starting on 1 October and ending on 30 September of the subsequent year ("**Tax on Securities**

Accounts"). The first reference period starts as of the day following the publication of the law in the Belgian State Gazette (i.e. on 10 March 2018) and ends on 30 September 2018. No tax is payable if the Noteholder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. However, if the holder's share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts is due on the holder's entire share in the average value of the qualifying financial instruments on those accounts (and hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals on securities accounts with a financial intermediary established or located in Belgium fall within the scope of the Tax on Securities Accounts. Pursuant to certain double tax treaties entered into by Belgium, Belgium has no right to tax the capital. Therefore, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, subject to certain conditions, double tax treaties may override the Tax on Securities Accounts.

A financial intermediary is defined as (i) a credit institution or a listed company as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the legal status and supervision of credit institutions and listed companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are pursuant to national law admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle payable by a financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts does not amount to EUR 500,000 or more but of which the holder's share in the total average value of these accounts exceeds EUR 500,000). If the Tax on Securities Accounts is not paid by the financial intermediary, such Tax on Securities Accounts has to be declared and is payable by the holder, unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a representative for the Tax on Securities Accounts in Belgium, subject to certain conditions and formalities ("**Tax on Securities Accounts Representative**"). Such Tax on Securities Accounts Representative will then be liable to make payment of the Tax on Securities Accounts to the Belgian Treasury and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return all their securities accounts held with one or more financial intermediaries of which they are considered the holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return all their securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered the holder within the meaning of the Tax on Securities Accounts.

Prospective Noteholders are advised to seek their own professional advice in relation to the Tax on Securities Accounts.

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 I of the French *Code général des impôts* and subject to certain exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 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 17.2 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 settled or redeemed by way of physical delivery of certain French listed shares (or certain assimilated securities) or securities representing such shares (and assimilated securities).

Pursuant to Article 235 *ter* ZD of the French *Code général des impôts*, a financial transaction tax (the "**French FTT**") is applicable to any acquisition for consideration, resulting in a transfer of ownership, of (i) an equity security (*titre de capital*) as defined by Article L.212-1 A of the French *Code monétaire et financier* or an assimilated equity security (*titre de capital assimilé*) as defined by Article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognised stock exchange when such 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) a security (*titre*) representing French Shares (irrespective of the location of the issuer of such security). The French FTT could apply in certain circumstances to the acquisition of French Shares (or securities representing French Shares) in connection with the settlement or redemption of any Notes.

There are a number of exemptions from the French FTT and investors should consult with their counsel to identify whether they can benefit from them.

The rate of the French FTT is 0.3 per cent. of the acquisition value of the French Shares (or securities representing French Shares).

If the French FTT applies to an acquisition of French Shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1 per cent. to the sale of shares issued by a company

whose registered office is situated in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Notes, as defined in the Programme. The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Notes.

This summary may not provide prospective investors with a comprehensive description of the tax consequences of the investment in Notes that are redeemed by physical delivery.

As clarified by the Italian tax authorities in resolution No. 72/E of 12 July 2010, the Italian tax consequences of the purchase, ownership and disposal of the Notes may be different depending on whether:

- (a) they represent a securitized debt claim, implying a static "use of capital" (*impiego di capitale*), through which the subscriber of the Notes transfers to the Issuer a certain amount of capital for the purpose of obtaining a remuneration on the same capital and subject to the right to obtain its (partial or entire) reimbursement at maturity; or
- (b) they represent a securitized derivative financial instrument or bundle of derivative financial instruments not entailing a "use of capital", through which the subscriber of the Notes invests indirectly in underlying financial instruments for the purpose of obtaining a profit deriving from the negotiation of such underlying financial instruments.

A. Tax treatment of the Notes

Legislative Decree No. 239 of 1 April 1996, as subsequently amended (the "**Decree 239**"), regulates the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price, hereinafter collectively referred to as "**Interest**") from notes issued, inter alia, by non-Italian resident entities, falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*).

For this purpose, bonds and securities similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and that do not allow any direct or indirect participation to the management of the issuer.

a. Resident Noteholders

Where an Italian resident Noteholder who is the beneficial owner of the Notes is (i) an individual not engaged in a business activity to which the Notes are effectively connected, (ii) a non-commercial partnership (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. (either when the Interest is paid by the Issuer, or when payment thereof is obtained by the Noteholder on a sale of the relevant Notes). In the event that Noteholders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the relevant Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016 (the "**Finance Act 2017**").

In case the Notes are held by a Noteholder engaged in a business activity and are effectively connected with same business activity, the Interest will be subject to the *imposta sostitutiva* and will be included in the relevant income tax return. As a consequence, the Interest will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("**SIMs**"), fiduciary companies, *società di gestione del risparmio* ("**SGRs**") stock exchange agents and other entities identified by the relevant Decrees of the Ministry of Finance (the "**Intermediaries**").

An Intermediary must (i) be (a) resident in Italy, (b) a permanent establishment in Italy of a non Italian resident financial intermediary and (ii) intervene, in any way, in the collection of Interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying Interest to a Noteholder. If the Interest is not collected through an Intermediary or any entity paying Interest and as such no *imposta sostitutiva* is levied, the Italian resident Noteholder listed above will be required to include Interest in their yearly income tax return and subject them to a final substitutive tax at the rate of 26 per cent.

The *imposta sostitutiva* does not apply, inter alia, to the following subjects, to the extent that the Notes and the relevant Coupons are deposited in a timely manner, directly or indirectly, with an Intermediary:

- (i) Corporate Noteholders – Where an Italian resident Noteholder is a corporation or a similar commercial entity (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected), Interest accrued on the Notes must be included in: (I) the relevant Noteholder's yearly taxable income for corporate income tax purposes ("**IRES**"); and (II) in certain circumstances, depending on the "status" of the Noteholder, also in its net value of production for the purposes of regional tax on productive activities ("**IRAP**");
- (ii) Investment funds - If the Noteholder is resident in Italy and is an open-ended or closed-ended investment fund, an investment company with fixed share capital (a "**SICAF**") or an investment company with variable capital) established in Italy a (a "**SICAV**") (together the "**Fund**") and either (i) the Fund or (ii) its manager is subject to the supervision of a regulatory authority, and the relevant Notes are held by an authorised intermediary, Interest will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Tax**");

- (iii) Pension funds – Pension funds (subject to the tax regime set forth by article 17 of the Legislative Decree No. 252 of 5 December 2005, the "**Pension Funds**") are subject to a 20 per cent. substitutive tax on their annual net accrued result. Subject to certain conditions (including minimum holding period requirement) and limitations, Interest may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017. Interest on the Notes is included in the calculation of said annual net accrued result; and
- (iv) Real estate investment funds – Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into law with amendments by Law No. 410 of 23 November 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010 and Legislative Decree No. 44 of 4 March 2014, all as amended, payments of Interest in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, (the "**Real Estate Investment Funds**") and Article 14-bis of Law No. 86 of 25 January 1994 and Italian real estate SICAFs (the "**Real Estate SICAFs**") are subject neither to imposta sostitutiva nor to any other income tax in the hands of the same Real Estate Investment Funds or the Real Estate SICAFs.

b. *Non-Resident Noteholders*

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident Noteholder of Interest provided that, if such Notes are held in Italy, the non-Italian resident Noteholder declares itself to be a non-Italian resident according to Italian tax regulations.

B. Securities qualifying as Atypical Securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) for Italian tax purposes (all together referred as "**Atypical Securities**") are subject to a withholding tax, levied at the rate of 26 per cent.. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the withholding tax on Interest that are classified as Atypical Securities, if the Notes are included in a long-term savings account (*piano di individuale risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017.

Interest payments on Atypical Securities made to Italian resident Noteholders which are (i) companies or similar commercial entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected), and (ii) commercial partnerships, are not subject to the aforementioned withholding tax, but form part of their aggregate income subject to IRES. In certain cases, such Interest may also be included in the taxable net value of production for IRAP purpose.

Interest payments relating to Atypical Securities received by non-Italian resident beneficial owners (not having a permanent establishment in Italy to which the Notes are effectively connected) are generally not subject to tax in Italy provided that, if the Notes are held in Italy, the Non-Resident Noteholder declares itself to be non-Italian resident according to the Italian tax regulations.

The withholding is levied by the Italian intermediary intervening in the collection of the relevant income or in the negotiation or repurchasing of the Notes.

C. Payments made by a non-resident Guarantor

With respect to payments made to Italian resident Holders of Securities by a non-Italian resident Guarantor, in accordance with one interpretation of Italian tax law, any such payment made by the Italian non-resident Guarantor could be treated, in certain circumstances, as a payment made by the relevant Issuer and would thus be subject to the tax regime described in the previous paragraphs of this section.

D. Capital Gains

Resident Noteholders

Pursuant to Legislative Decree No. 461 of 21 November 1997, as amended (the "**Decree 461**"), a 26 per cent. capital gains tax (the "**CGT**") is applicable to capital gains realised on the sale or transfer of the Notes for consideration or on redemption thereof by Italian resident individuals (not engaged in a business activity to which the Notes are effectively connected), regardless of whether the Notes are held outside of Italy.

For the purposes of determining the taxable capital gain, any Interest on the Notes accrued and unpaid up to the time of the purchase and the sale of the Notes must be deducted from the purchase price and the sale price, respectively.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano di individuale risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017.

The aforementioned regime does not apply to the following subjects:

- (i) Corporate investors (including banks and insurance companies): capital gains on the Notes held by Italian resident corporate entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected) form part of their aggregate income subject to IRES. In certain cases, capital gains may also be included in the taxable net value of production of such entities for IRAP purposes. The capital gains are calculated as the difference between the sale price and the relevant tax basis of the Notes. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years for IRES purposes.
- (ii) Funds – Capital gains realised by the Funds on the Notes contribute to determining the annual net accrued result of the same Funds. The Funds will not be subject to taxation on such results but the Collective Investment Fund Tax will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (see under paragraph A.1.1.a. "Italian resident Noteholders", above).
- (iii) Pension Funds – Capital gains realised by Pension Funds on the Notes contribute to determining the annual net accrued result of the same Pension Funds, which is subject to a 20 per cent. substitutive tax (see under paragraph A.1.1.a "Italian resident Noteholders", above). Interest on the Notes is included in the calculation of said annual net accrued result.
- (iv) Real Estate Investment Funds – Capital gains realised by Italian Real Estate Investment Funds and Real Estate SICAFs on the Notes are generally not taxable at the level of the same Real Estate

Investment Funds or Real Estate SICAFS (see under paragraph A1.1.a "Italian resident Noteholders", above).

Non-Resident Noteholders

Capital gains realised by non-resident Noteholders (not having permanent establishment in Italy to which the Notes are effectively connected) on the Notes are not subject to tax in Italy, provided that the Notes (i) are traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

E. Tax treatment of derivative financial instruments

Based on the principles stated by the Italian tax authorities in resolution No. 72/E of 12 July 2010, payments in respect of Notes qualifying as securitised derivative financial instruments not entailing a "use of capital" as well as capital gains realised through the sale of the same Notes would be subject to Italian taxation according to the same rules described above applicable on capital gains realised through the sale or transfer of the Notes.

F. Transfer Tax

Contracts relating to the transfer of Notes are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at rate of EUR 200; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

G. Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, EUR 1,000,000;
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding, for each beneficiary, EUR 100,000; and
- (c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied to the rate mentioned above in (a), (b) and (c) on the value exceeding EUR1,500,000.

H. Stamp duty

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 (the "Decree 201"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the securities deposited in Italy. The stamp duty applies at a rate of 0.2 per cent. and cannot exceed EUR 14,000 for taxpayers other than individuals; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the securities held.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the

Bank of Italy on 20 June 2012) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

I. Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the securities outside the Italian territory are required to pay an additional tax at a rate of 0.2 per cent.

This tax is calculated on the market value of the securities at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

J. Italian Financial Transaction Tax ("IFTT")

Italian shares and other participating instruments, as well as depository receipts representing those shares and participating instruments irrespective of the relevant issuer, (cumulatively referred to as "**In-Scope Shares**"), received by a Holder upon physical settlement of the Notes may be subject to a 0.2 per cent. IFTT calculated on the value of the Notes as determined according to Article 4 of Ministerial Decree of 21 February 2013, as amended (the "**IFTT Decree**").

Holders on derivative transactions or transferable securities and certain equity-linked notes mainly having as underlying or mainly linked to In-Scope Shares are subject to IFTT at a rate ranging between EUR 0.01875 and EUR 200 per counterparty, depending on the notional value of the relevant derivative transaction or transferable securities calculated pursuant to Article 9 of the IFTT Decree. IFTT applies upon subscription, negotiation or modification of the derivative transactions, transferable securities or the equity-linked notes, as described above. The tax rate may be reduced to a fifth if the transaction is executed on certain qualifying regulated markets or multilateral trading facilities.

LUXEMBOURG TAXATION

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and does not purport to be a comprehensive description of all the Luxembourg tax considerations which may be relevant to a decision to purchase, own or dispose of the Securities. In particular, this information does not describe the tax consequences for a holder of Securities that are redeemable in exchange for, or convertible into, shares. Prospective investors in the Securities should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

(i) Non-resident holders of Securities

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Securities, nor on accrued but unpaid interest in respect of the Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Securities held by non-resident holders of Securities.

(ii) Resident holders of Securities

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Securities, nor on accrued but unpaid interest in respect of Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by Luxembourg resident holders of Securities.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the Relibi Law would be subject to a withholding tax at a rate of 20 per cent.

POLISH TAXATION

(a) General Information

The following is a discussion of certain Polish tax considerations relevant to an investor resident in Poland or which is otherwise subject to Polish taxation. This statement should not be deemed to be tax advice. It is based on Polish tax laws and, as its interpretation refers to the position as at the date of this prospectus, it may thus be subject to change including a change with retroactive effect. Any change may negatively affect tax treatment, as described below. This description does not purport to be complete with respect to all tax information that may be relevant to investors due to their personal circumstances. Prospective purchasers of the Securities are advised to consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer without consideration of the Securities. The information provided below does not cover tax consequences concerning income tax exemptions applicable to specific taxable items or specific taxpayers (e.g. domestic or foreign investment funds).

The reference to "interest" as well as to any other terms in the paragraphs below means "interest" or any other term as understood in Polish tax law.

(b) Taxation of a Polish tax resident private investor (natural person)

Under Art. 3.1 of the Personal Income Tax Act dated 26 July (the "**PIT Act**"), natural persons, if residing in the Republic of Poland, are liable for tax on their total income (revenue) irrespective of the location of the sources of revenue (unlimited obligation to pay tax).

Under Art. 3.1a of the PIT Act, a Polish tax resident individual is a natural person who has his/her centre of personal or business interests located in Poland or who stays in Poland for longer than 183 days in a year, unless any relevant tax treaty dictates otherwise.

(i) Income from capital investments other than interest

Income other than interest derived by a Polish tax resident individual from debt financial instruments held as non-business assets, qualify as capital income according to Art. 17 of PIT Act. This income does not cumulate with the general income subject to the progressive tax scale but is subject to a 19 per cent. flat rate tax. The costs of acquiring the Securities are recognised at the time the revenue is achieved. In principle, this income should be settled by the taxpayer by 30 April of the year following the year in which the income was earned. No tax or tax advances should be withheld by the person making the payments.

(ii) Withholding tax on interest income

Under Art. 30a.7 of the PIT Act, interest income does not cumulate with general income subject to the progressive tax rate but under Art. 30a.1.2 of the PIT Act it is subject to 19 per cent. flat rate tax.

Under Article 41.4 of the PIT Act, the interest payer, other than an individual not acting within the scope of his/her business activity, should withhold the 19 per cent. Polish tax upon any interest payment. Under the Art. 41.4d of the PIT Act, tax on interest or discount on securities is withheld by entities keeping securities accounts for taxpayers, in their capacity as tax remitters, if the income (revenue) is earned in the territory of Poland and is associated with the securities registered in these accounts, and, further, if relevant payments are made to the taxpayers through those entities. There are no regulations defining in which cases income earned (revenue) by a Polish tax resident should be considered income (revenue) earned in Poland. However, as of 1 January 2017 a new regulation addressing the source of income with respect to non-residents has been in force. It is possible that in

practice the tax authorities will consider that the same situations described in the new regulation could also apply as a Polish source of income for Polish tax residents. Pursuant to Art. 3.2b of the PIT Act, income (revenues) earned in the Republic of Poland by non-residents shall include in particular income (revenues) from:

1. work performed in the Republic of Poland based on a service relationship, employment relationship, outwork system and co-operative employment relationship irrespective of the place where remuneration is paid;
2. activity performed in person in the Republic of Poland irrespective of the place where remuneration is paid;
3. economic activity pursued in the Republic of Poland, including through a foreign establishment located in the Republic of Poland;
4. immovable property located in the Republic of Poland or rights to such property, including from its disposal in whole or in part, or from disposal of any rights to such property;
5. securities and derivatives other than securities, admitted to public trading in the Republic of Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
6. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity or receivables being a consequence of holding those shares, rights and obligations or participation - if at least 50 per cent. of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in the Republic of Poland, or rights to such immovable properties;
7. the receivables settled, including receivables put at disposal, paid out or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in the Republic of Poland, irrespective of the place of concluding and performing the agreement.

The above list is not exhaustive; therefore, the tax authorities may also consider that income (revenues) not listed above is sourced in Poland.

Given the above, each situation should be analysed to determine whether interest earned by a Polish tax resident individual from the Securities is considered to be income sourced in Poland and whether the entity operating the securities account for the individual will withhold the tax.

Although this is not clearly regulated in Polish tax law, in fact, foreign entities do not act as Polish withholding tax remitters. Therefore, it should be expected that the issuer itself or a non-Polish entity operating the securities account for the individual will not withhold the tax.

According to Article 45.3b of the PIT Act, if the tax is not withheld, the individual is obliged to settle the tax himself/herself by 30 April of the following year.

Separate, specific rules apply to interest income on securities held in Polish omnibus accounts (within the meaning of the provisions of the Act on Trading in Financial Instruments, hereinafter "**Omnibus Accounts**"). Under Art. 41.10 of the PIT Act, insofar as securities registered in Omnibus Accounts are concerned, the entities operating Omnibus Accounts through which the amounts due are paid are

liable to withhold the flat-rate income tax on interest income. The tax is charged on the day of placing the amounts due at the disposal of the Omnibus Account holder.

Pursuant to Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19% flat-rate tax is withheld by the tax remitter (under Art. 41.10 of the PIT Act the entity operating the Omnibus Account) from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder.

Under Art. 45.3c of the PIT Act, tax payers are obliged to disclose the amount of interest (discount) on securities (including the Notes referred to herein) in their annual tax return if the Notes were registered in an Omnibus Account and the tax payer's identity was not revealed to the tax remitter.

Under Art. 30a.9 of the PIT Act, withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than 19 per cent. tax on the interest amount, could be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

(iii) Securities held as business assets

If an individual holds the Securities as business assets, in principle, interest and capital gains income should be subject to tax in the same way as other business income. The tax, at 19 per cent. flat rate or the 18 per cent. to 32 per cent. progressive tax rate depending on the choice and meeting of certain conditions by the individual, should be settled by the individual himself/herself.

(c) Taxation of a Polish tax resident corporate income taxpayer

Under Art. 3.1 of the Corporate Income Tax Act dated 15 February 1992 (the "**CIT Act**") the entire income of taxpayers who have their registered office or place of management in Poland is subject to tax obligation in Poland, irrespective of where the income is earned.

The appropriate tax rate is the same as the tax rate applicable to business activity, i.e. 19 per cent. for a corporate income taxpayer or 15 per cent. for small and new taxpayers.

A Polish tax resident corporate income taxpayer is subject to income tax in respect of the Securities (both on any capital gains and on interest/discount) following the same principles as those which apply to any other income received from business activity. As a rule, for Polish income tax purposes interest is recognised as revenue on a cash basis, i.e. when it is received and not when it has accrued. In respect of capital gains, the cost of acquiring the Securities will be recognised at the time the revenue is achieved.

Although no Polish withholding tax should apply on interest payable to Polish corporate income taxpayers, under specific rules applying to interest income on securities held in Omnibus Accounts, under Art. 26.2a of the CIT Act, for income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 20 per cent flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. If such tax is withheld for a Polish tax resident corporate income taxpayer, to receive a refund of such tax, the entity should contact its tax advisor.

Any withholding tax incurred outside Poland (including countries which have not concluded any tax treaty with Poland), can be deducted from the Polish tax liability, up to an amount equal to the tax paid abroad, but

not higher than the tax calculated in accordance with the applicable domestic tax rate. Double tax treaties may provide for other methods of withholding tax settlements.

(d) Securities held by a non-Polish tax resident (natural person or corporate income taxpayer)

Under Art. 3.2a of the PIT Act, natural persons, if they do not reside in Poland, are liable to pay tax only on income (revenue) earned in Poland (limited obligation to pay tax).

Under Art. 3.2 of the CIT Act, in the case of taxpayers who do not have their registered office or management in Poland, only the income they earn in Poland is subject to taxation in Poland.

Non-Polish tax residents who are natural persons or corporate income tax payers are subject to Polish income tax only with respect to their income earned in Poland. Under Art. 3.3 of the CIT Act, income (revenues) earned in the Republic of Poland by non-residents shall include in particular income (revenues) from:

1. all types of activity pursued in the Republic of Poland, including through a foreign establishment located in the Republic of Poland;
2. immovable property located in the Republic of Poland or rights to such property, including from its disposal in whole or in part, or from the disposal of any rights to such property;
3. securities and derivatives other than securities, admitted to public trading in the Republic of Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
4. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity or receivables being a consequence of holding those shares, rights and obligations or participation, if at least 50 per cent. of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in the Republic of Poland, or rights to such immovable properties;
5. the receivables settled, including receivables put at disposal, paid out or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in the Republic of Poland, irrespective of the place of concluding or performing the agreement.

Similar provisions are included in Art. 3.2b of the PIT Act.

It should be noted that the list of income (revenues) earned in Poland, as provided in Art. 3.3. of the CIT Act and Art. 3.2b of the PIT Act is not exhaustive, therefore, other income (revenues) may also be deemed to be earned in the Republic of Poland.

Even though the above list of circumstances in which income (revenue) is sourced in the Republic of Poland is not exhaustive, it could be argued that, in principle, payments under securities issued by a foreign entity are not sourced in Poland unless one of the cases indicated above occurs (in particular, the Securities are traded on the Warsaw Stock Exchange).

If the payment is considered as interest sourced in Poland and the payer of the interest is a tax remitter under Polish tax regulations, the withholding tax at 20 per cent under Art. 21.1.1 of the CIT Act or at 19 per cent under Art. 30a.1.2 of the PIT Act should apply. It should be noted, however, that although this is not clearly regulated in the Polish tax law, in fact, foreign entities do not act as Polish withholding tax remitters.

Moreover, if the payment under the Securities is considered to be sourced in Poland, then the relevant double tax treaty (if any) should be verified to check whether Polish taxation applies at all or whether the withholding tax rate is reduced under the given tax treaty. For example, most of the tax treaties concluded by Poland provide for a tax exemption for Polish income tax on capital gains derived from Poland by a foreign tax resident. To benefit from a tax treaty, a foreign investor should present the relevant certificate of its tax residency. Moreover, many tax treaties provide protection only for beneficial owners. Pursuant to Art. 4a.29 of the CIT Act, beneficial owner shall mean the entity receiving a given receivable for its own benefit, not being an intermediary, representative, trustee, or another entity obliged to transfer the receivable in whole or in part to another entity.

Separate, specific rules apply to interest income on securities held in Omnibus Accounts. Also, in cases where Polish withholding tax should not apply on interest payable to non-Polish tax residents (natural persons or corporate income taxpayers), under specific rules applicable to interest income on securities held in Omnibus Accounts there is a risk that such tax would be withheld. Under Art. 26.2a of the CIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 20 per cent. flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. Under Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent. flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. If such tax is withheld for non-Polish tax resident taxpayers, to receive a refund of such tax, the entity should contact its tax advisor.

If a foreign recipient of income acts through a permanent establishment in Poland to which interest is related, as a matter of principle it should be treated in the same manner as a Polish tax resident.

(e) Tax on civil law transactions

Neither an issuance of the Securities nor a redemption of the Securities is subject to tax on civil law transactions.

In light of Art. 1.1.1.a of the Tax on Civil Law Transactions Act dated 9 September 2000 (the PCC Act), agreements for sale or exchange of assets or proprietary rights are subject to tax on civil law transactions. The Securities should be considered as representing proprietary rights. Transactions are taxable if their subjects are:

- assets located in Poland or proprietary rights exercisable in Poland;
- assets located abroad or proprietary rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

Although this is not clearly addressed in the law, in principle, the Securities should not be considered as rights exercisable in Poland, consequently, the tax would apply only if the purchaser was Polish and the transaction was concluded in Poland.

If the sale or exchange of the Securities is subject to the PCC Act, then the tax at 1% of the market value of the Securities should be payable within 14 days after the sale or exchange agreement has been entered into. However, if such agreement has been entered into in notarial form, the tax due should be withheld and paid by the notary public. Tax on sale of the Securities is payable by the entity acquiring the Securities. In the case of exchange agreements, tax on civil law transactions should be payable by both parties jointly and severally.

However, under Art. 9.9 of the PCC Act, an exemption applies to the sale of property rights constituting financial instruments (such as the Securities):

- (a) to investment companies and foreign investment companies,
- (b) via investment companies or foreign investment companies,
- (c) as part of organised trading,
- (d) outside organised trading by investment companies and foreign investment companies

if those rights were acquired by those companies under organised trading (within the meaning of the provisions of the Act of 29 July 2005 on Trading in Financial Instruments).

(f) Remitter's liability

Under Art. 30 of the Tax Code dated 29 August 1997, a tax remitter failing to fulfil its duty to calculate, withhold or pay tax to a relevant tax authority is liable for the tax that has not been withheld or that has been withheld but not paid, up to the value of all its assets. The tax remitter is not liable if the specific provisions provide otherwise or if tax has not been withheld due to the taxpayer's fault. In such a case, the relevant tax authority will issue a decision concerning the taxpayer's liability.

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) Direct Taxation

(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 an additional surcharge of 2.5 per cent. applicable on income exceeding EUR80,000 and up to EUR250,000 and of 5 per cent. applicable on income exceeding EUR250,000), 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 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 (as defined below)) or to aggregate that income to the remaining income to be subject to the general progressive tax rates, which vary between 14.5 per cent. and 48 per cent. (plus an additional surcharge of 2.5 per cent. applicable on income exceeding EUR80,000, up to EUR250,000 and thereafter a 5 per cent. surcharge applicable on income exceeding EUR250,000).

(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 such income with their remaining income that is subject to the general progressive tax rates, which vary between 14.5 per cent. and 48 per cent. (plus

an additional surcharge of 2.5 per cent. applicable on income exceeding EUR80,000, up to EUR250,000 and thereafter a 5 per cent. surcharge applicable on income exceeding EUR250,000).

Capital losses do not form part of the calculation of the net capital gains when the counterpart in the transaction (i) is resident in a tax haven, as described in Order 150/2004 of 13 February, as amended (a "**Tax Haven**") or (ii) there are special relations, under the terms of the CIT Code, between the counterpart and the relevant Portuguese tax residents (excluding European Union Member States or European Economic Area member states that are subject to exchange of information obligations similar to the obligations established by the European Union) and the counterpart in the operation is resident in a country or jurisdiction where there is not an income tax similar to Corporate Income Tax ("**CIT**") or where the applicable tax rate is lower than 60 per cent. of the Portuguese CIT rate (i.e. 12.6 per cent., since the Portuguese CIT rate currently is 21 per cent.).

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 on income obtained by CIT taxable entities as follows: (a) taxable income exceeding EUR1,500,000 up to EUR7,500,000 will be subject to a state surcharge of 3 per cent., (b) taxable income exceeding EUR7,500,000 up to EUR35,000,000 will be subject to a state surcharge of 5 per cent and (iii) taxable income above EUR35,000,000 will be subject to a State surcharge of 9 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 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 on income obtained by CIT taxable entities as follows: (a) taxable income exceeding EUR1,500,000 up to EUR7,500,000 will be subject to a State surcharge of 3 per cent., (b) taxable income exceeding

EUR7,500,000 up to EUR35,000,000 will be subject to a State surcharge of 5 per cent and (iii) taxable income above EUR35,000,000 will be subject to a State surcharge of 9 per cent.

Acquisition of the Securities by non-resident corporate investors not for valuable consideration (by way of inheritance or gift) is subject to CIT, at a 25 per cent. rate, if the corresponding Issuer has its head office or its effective place of management in Portugal. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case by case basis.

4. Mandatory Automatic Exchange of Information

Portugal has implemented the EC Council Directive 2003/48/EC of 3 June 2003 on taxation savings income ("**EU Savings Directive**") into the Portuguese law through Decree-Law no 62/2005, of 11 March 2005, as further amended.

Meanwhile, further measures in the field of information exchange were adopted at the European Union-level, namely with the approval by the European Council of the Directive no. 2014/107/EU of 9 December 2014) which amended EU Council Directive no. 2011/16/EU ("**Administrative Cooperation Directive**") to extend the mandatory automatic exchange information to a wider range of income, including financial income, in line with the Standard for Automatic Exchange of Financial Account Information in Tax Matters issued by OECD in July 2014 and with the bilateral exchange agreements between the United States of America and several other countries to implement the United States' Foreign Account Tax Compliance Act ("**FATCA**").

Given the broader scope of Council Directive no. 2014/107/EU and in order to prevent overlap between the EU Savings Directive and Administrative Cooperation Directive (as amended by Council Directive no. 2014/107/EU), the EU Savings Directive has been repealed with effect from 1 January 2016 (and from 1 January 2017 in case of Austria) by the Council Directive 2015/2060 of 10 November 2015.

Portugal has implemented the Administrative Cooperation Directive (as amended by the EU Council Directive no. 2014/107/EU) into Portuguese law through Decree-Law no. 64/2016, of 11 October 2016. Accordingly, it is expected that Decree-Law no. 62/2005, of 11 March 2005, as further amended, will be revoked.

Portugal has also implemented the FATCA regulations through Decree-Law no. 64/2016, of 11 October 2016.

Prospective investors tax resident in Portugal should consult their own legal or tax advisers regarding the consequences of the Administrative Cooperation Directive and the FATCA regulations in their particular circumstances.

ROMANIAN TAXATION

The following is a general description of certain Romanian tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes and it is not intended to be, nor should it be construed to be, local or tax advice. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the laws and practice in force as of the date of this Prospectus and is subject to any change in law and the interpretation and application thereof that may take effect after such date and could be made with retroactive effect.

An amended version of the Romanian Fiscal Code was brought into force with effect from 1 January 2016 (by virtue of Law no. 227/2015 regarding the Fiscal Code as subsequently amended and supplemented - "Romanian Fiscal Code") introducing important changes in the taxation of financial transactions, especially regarding the taxation of individuals. Accordingly, there is limited precedent as to the application of this new Fiscal Code. Also, a new Romanian Fiscal Procedure Code was brought into force with effect from 1 January 2016 (by virtue of Law no. 207/2015 regarding the Fiscal Procedure Code as subsequently amended and supplemented - "Romanian Fiscal Procedure Code"). Furthermore, the Romanian Tax Code has been amended again as of the beginning of 2018, thus investors should be aware that there are uncertainties regarding the practical application of some provisions.

For the purposes of the Romanian Fiscal Code:

- (a) a "resident individual" is defined as any individual who meets at least one of the following conditions:
 - (i) they are domiciled in Romania; or
 - (ii) their centre of vital interests (Romanian language: "*centrul intereselor vitale*") is located in Romania. An individual's centre of vital interests is the place in which they are deemed to have the strongest personal and economic ties. When analysing personal ties, particular significance will be placed on (inter alia): the location of family members (i.e. spouse, children, dependants), membership of any charitable or religious organisations and participation in cultural activities. When analysing economic ties, particular significance will be placed on (*inter alia*): whether an individual is employed by a Romanian employer, whether the individual undertakes business in Romania, whether the individual owns real estate in Romania, whether the individual has bank accounts in Romania and whether the individual has debit or credit cards issued by Romanian banks; or
 - (iii) they are present in Romania for a period or several periods exceeding in aggregate 183 days during any twelve-month period ending in the fiscal year concerned; or
 - (iv) they are a Romanian citizen working abroad as an officer or an employee of the Romanian state;
- (b) a "Romanian legal entity" is defined as any legal entity established in accordance with Romanian law;
- (c) a "legal entity established pursuant to European law" is defined as any legal entity established in accordance with and by the mechanics contemplated by European regulations;
- (d) a "resident" in Romania is defined as: (a) any Romanian entity, (b) any foreign entity which has its place of effective management in Romania, (c) any entity having its headquarters in Romania, incorporated according to European legislation or (d) any tax resident individual;
- (e) a "foreign legal entity" is defined as any legal entity which is not a Romanian legal entity and any legal entity established pursuant to European law which is not headquartered in Romania;

- (f) a "non-resident individual" is defined as any individual who does not meet the conditions in order to qualify as a tax resident individual, as well as foreign citizens whose diplomatic or consular statute is in Romania, foreign citizens who are employees or officers of an international or intergovernmental organization registered in Romania, foreign citizens who are officers or employees of a foreign state in Romania, as well as their family members;
- (g) a "non-resident" is defined as any foreign legal entity, any tax non-resident individual, and any other foreign entities, including undertakings for collective investment in transferable securities without legal personality, which are not registered in Romania according to the Romanian Fiscal Code and the Romanian Fiscal Procedure Code; and
- (h) a "Permanent Establishment" is defined as a location in which the activity of a non-resident is wholly or partly carried out, either directly or through a dependent agent. When defining the Permanent Establishment of a non-resident, the provisions of Article 5 (Permanent Establishment) OECD Model Convention with Respect to Taxes on Income and on Capital should be taken into account.

Taxation of interest

Taxation of Noteholders not resident in Romania for tax purposes

Individuals and companies who are deemed tax non-residents are liable to Romanian income tax only on the Romanian source income. As the Issuers are Dutch and Luxembourg entities, the Notes would not qualify as Romanian source income, thus the non-resident individuals and companies would not have the obligation to report in Romania the interest income obtained through holding the Notes, with the exception of the case where interest income is attributable to a Permanent Establishment of the non-resident Noteholder located in Romania.

Taxation of Noteholders resident in Romania for tax purposes

Legal entities

Income received on the Notes by resident legal entities in the form of interest on the Notes will be subject to corporate income tax (profit tax) at a rate of 16 per cent.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income on an annual basis.

Where income tax was withheld at source, based on the tax law of another country, generally a tax credit can be claimed upon the submission of the tax return.

According to the provisions of the Romanian Fiscal Code, a tax credit can be claimed if the following cumulative conditions are fulfilled:

- the provisions of a double tax treaty concluded between Romania and a foreign country in which the tax was paid are applicable; and
- the tax credit is applied on the corporate income tax calculated for the year in which the tax was paid in the foreign country if the legal entity presents documentation attesting the payment of tax abroad.

The method of remedying any double taxation (i.e. credit method or exemption method) may vary depending on the specific provisions of the applicable double tax treaty.

Individuals

Individuals who are deemed Romanian tax residents are liable to Romanian income tax on their worldwide income. The Romanian income tax rate on interest income is 10 per cent. flat, applied to the gross interest obtained. Tax resident individuals have an obligation to declare interest income received outside Romania, by submitting a Romanian annual tax return before 15 March of the year following the year during which the income is received (i.e. interest income received during 2018 has to be declared by 15 March 2019). As an exception, for the income received during the 2017 tax year, the deadline for declarations is 15 July 2018 and, for such year, the Romanian tax authorities will continue to issue tax assessments. Nevertheless, in respect of any income obtained from 2018 onwards, no tax assessment is issued by the tax authorities, as the income tax is established by the taxpayer based on the annual tax return. Where interest income is received from more than one country, separate tax calculation must be prepared for each source country (i.e. one for income sourced in the Netherlands and another one for income sourced in Luxembourg) as the tax return needs to include a separate appendix for each type and source of income.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced interest income, on an annual basis, the deadline for the payment of the income tax being the same as the deadline for the submission of the annual tax return (i.e. 15 March of the following year for income received for 2018 onwards; for 2017, the Romanian tax authorities will continue to issue tax assessments).

Where income tax was withheld at source, generally a tax credit can be claimed upon the submission of the tax return. A tax credit can be claimed if the following cumulative conditions are fulfilled:

- the provisions of a double tax treaty concluded between Romania and a foreign country in which the tax was paid are applicable; and
- the tax for the income received abroad has been paid by the individual. The payment of the tax is evidenced by a document issued by the competent authority of that country.

Investment income (including interest income and capital gains) is also subject to Romanian health insurance contribution if the cumulative income derived by the individual during that specific year (from almost all sources, except salary income), is above 12 minimum gross salaries per month (for 2018, 12 x RON 1,900 = RON 22,800) (the "**Gross Monthly Salaries**"). The health contribution payable is 10 per cent. of the Gross Monthly Salaries (i.e. for 2018, 10 per cent. x RON 22,800 = RON 2,280), irrespective of whether the income derived is higher than the Gross Monthly Salaries.

By 15 July 2018, an individual must submit their Romanian annual tax return estimating the income derived during 2018 to determine their health insurance contribution.

- If the estimated income is higher than RON 22,800, the individual needs to pay the health insurance contribution due by 15 March 2019. Provided the payment is made by 15 December 2018, the Romanian tax authorities will grant a bonus of 5 per cent. of the amount due.
- If the estimated income is less than RON 22,800, the individual is not obliged to pay the health insurance contribution on the investment income; although they may have an option to pay the contribution to receive cover under the health insurance system.

On 15 March 2019, an individual must file their Romanian annual tax return in respect of the actual income derived during 2018 and must also estimate the income to be received in 2019.

- If the actual income received during 2018 is higher than the RON 22,800 cap, no additional health insurance contribution is due. The individual will only be required to pay the income tax due.

- If the actual income received during 2018 is less than the ceiling, but the individual estimated that their income would exceed the cap and the payment of the health insurance contribution has been made, no reimbursement will be made (i.e. the individual will be covered during that specific year).
- Similarly, if the individual estimated that their income during 2018 would be less than the cap (and thus they did not pay the health insurance contribution), but, their actual income for 2018 exceeded the cap, they will be required to pay the health insurance contribution by 15 March 2019, when their annual tax return (for the 2018 tax year) is submitted.

Taxation of capital gains

Taxation of Noteholders not resident in Romania for tax purposes

Individuals and companies who are deemed tax non-residents are liable for Romanian income tax only on the Romanian source income. As the Issuers are Dutch and Luxembourg entities, the Notes would not qualify as Romanian source income, thus the non-resident individuals and companies would not have the obligation to report in Romania the capital gain obtained through holding or selling the Notes, with the exception of the case where the capital gain income is derived by a Permanent Establishment of the non-resident Noteholder located in Romania and the income is attributable to such Permanent Establishment.

Taxation of Noteholders resident in Romania for tax purposes

Legal entities

Income received by resident legal entities as capital gains from the transfer of Notes, will be subject to corporate income tax (profit tax) at the rate of 16 per cent.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income, on an annual basis.

Where income tax was withheld at source, generally a tax credit can be claimed upon the submission of the tax return. The tax credit can be claimed if certain cumulative conditions are fulfilled (please see "*Taxation of Noteholders resident in Romania for tax purposes – Legal entities*" above).

Individuals

As mentioned above, individuals who are deemed Romanian tax residents are liable to Romanian income tax on their worldwide income. The Romanian income tax rate on capital gains is 10 per cent. flat, applied to the net annual capital gain. Individuals are obliged to declare the capital gains obtained from outside Romania, by submitting a Romanian annual tax return to the Romanian tax authorities by 15 March of the year following the year during which the income is obtained (i.e. capital gains obtained during 2018 have to be declared by 15 March 2019). As an exception, for the income received during the 2017 tax year, the deadline for declarations is 15 July 2018 and, for such year, the Romanian tax authorities will continue to issue tax assessments. Nevertheless, in respect of any income obtained from 2018 onwards, no tax assessment is issued by the tax authorities, as the income tax is established by the taxpayer based on their annual tax return. The capital gains must be included in the annual tax return separately for each source-country.

The capital gain must be determined for each transaction; however, only the annual capital gain/capital loss (calculated as the sum of all the gains and losses incurred during the year) must be reported on the Romanian annual tax return. Capital losses should also be declared through the annual tax returns, in order to be able to carry them forward during the following 7 years and decrease the tax base during the following years.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced capital gains, on an annual basis, the deadline for the payment of the income tax being the same as the deadline for the submission of the annual tax return (i.e. 15 March of the following year for income received for 2018 onwards; for 2017, the Romanian tax authorities will continue to issue tax assessments).

Where income tax is withheld at source, generally a tax credit can be claimed upon the submission of the tax return. The tax credit can be claimed if certain cumulative conditions are fulfilled (please see "*Taxation of Noteholders resident in Romania for tax purposes – Individuals*" above).

With respect to the health insurance contribution due on capital gains, please refer to "*Taxation of interest – Individuals*" above.

SPANISH TAXATION

The statements herein regarding the tax legislation in Spain are based on the laws in force in Spain as of the date of this Base Prospectus (without prejudice to regional tax regimes in the Historical Territories of the Basque Country and the Community of Navarre or provisions passed by Autonomous Communities which may apply to investors for certain taxes) and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the Spanish tax consequences of the ownership and disposition of the Notes.

1. Spanish resident individuals

1.1 Personal Income Tax

Personal Income Tax ("**PIT**") is levied on an annual basis on the worldwide income obtained by Spanish resident individuals, whatever its source and wherever the relevant payer is established. Therefore any income that a Spanish holder of the Notes may receive under the Notes will be subject to Spanish taxation.

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Notes obtained by individuals who are tax resident in Spain will be regarded as financial income for tax purposes (i.e. a return on investment derived from the transfer of own capital to third parties).

These amounts will be included in the savings part of the taxable income subject to PIT at the following tax rates: (i) 19 per cent. for taxable income up to €6,000; (ii) 21 per cent. for taxable income from €6,001 to €50,000; and (iii) 23 per cent. for any amount in excess of €50,000.

Spanish holders of the Notes shall compute the gross interest obtained in the savings part of the taxable base of the tax period in which it is due, including amounts withheld, if any.

Income arising on the disposal, redemption or reimbursement of the Notes will be calculated as the difference between (a) their disposal, redemption or reimbursement value and (b) their acquisition or subscription value. Costs and expenses effectively borne on the acquisition and transfer of the Notes may be taken into account for calculating the relevant taxable income, provided that they can be duly justified.

Likewise, expenses related to the management and deposit of the Notes, if any, will be tax-deductible, excluding those pertaining to discretionary or individual portfolio management.

Losses that may derive from the transfer of the Notes cannot be offset if the investor acquires homogeneous securities within the two-month period prior or subsequent to the transfer of the Notes, until he/she transfers such homogeneous securities.

Additionally, tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Notes, if any.

1.2 Spanish Inheritance and Gift Tax

Spanish Inheritance and Gift Tax is levied on transfers of Notes upon death or by gift to Spanish tax resident individuals, with the taxpayer being the transferee. General tax rates currently range from 7.65 to 81.60 per cent. although the tax situation may vary depending on any applicable regional tax laws.

1.3 **Spanish Wealth Tax**

In accordance with article 4 of Royal Decree – law 3/2016, of 2 December, a full exemption on Wealth Tax will apply in the year 2018. However, the draft bill of the General State Budget Law for 2018 (*Proyecto de Ley de Presupuestos Generales del Estado para el año 2018*), which is currently under parliament discussions, foresees the withdrawal of such exemption for 2018.

If it were revoked, individuals with tax residency in Spain are subject to Wealth Tax on their total net wealth, regardless of the location of their assets or of where their rights may be exercised, to the extent that their net worth exceeds EUR 700,000. Therefore, Spanish holders of the Notes should take into account the value of the Notes which they hold as at 31 December of each year, when calculating their Wealth Tax liabilities. The applicable tax rates range between 0.2 per cent. and 2.5 per cent. although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

2. **Legal Entities with Tax Residence in Spain**

2.1 **Corporate Income Tax**

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Notes obtained by entities which are tax resident in Spain shall be computed as taxable income of the tax period in which they accrue.

The general tax rate for Spanish Corporate Income Tax ("CIT") taxpayers is currently 25 per cent. This general rate will not be applicable to all CIT taxpayers and, for instance, it will not apply to banking institutions (which will be taxed at the rate of 30 per cent.). Likewise, special rates apply in respect of certain types of entities (such as qualifying collective investment institutions).

Tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Notes, if any.

2.2 **Spanish Wealth Tax**

Legal entities resident in Spain for tax purposes are not subject to Wealth Tax.

2.3 **Inheritance and Gift Tax**

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax but must include the market value of the Notes in their taxable income for Spanish CIT purposes.

3. **Individuals and Legal Entities with no Tax Residence in Spain**

A non-resident holder of Notes who has a permanent establishment in Spain to which such Notes are attributable is subject to Spanish Non-Residents' Income Tax on any income obtained under the Notes including both interest periodically received and income arising on the disposal, redemption or reimbursement of the Notes. In general terms, the tax rules applicable to individuals and legal entities with no tax residence in Spain but acting through a permanent establishment in Spain are the same as those applicable to Spanish tax resident CIT taxpayers.

4. **Spanish withholding tax**

BNP Paribas has been advised that, under Spanish tax law currently in effect, the Issuer should not be obliged to deduct withholdings on account of Spanish income taxes since it is not a Spanish tax resident entity and does not have a permanent establishment in Spain to which the issue of the Notes is connected.

Where a financial institution (either resident in Spain or acting through a permanent establishment in Spain) acts as depositary of the Notes or intervenes as manager on the collection of any income under the Notes, such financial institution will be responsible for making the relevant withholding on account of Spanish tax on any income deriving from the Notes. To this effect income deriving from the Notes will include not only interest payments but also income arising from the disposal, redemption or reimbursement of the Notes, if any.

The current withholding tax in Spain is 19 per cent. Amounts withheld in Spain, if any, can be credited against the final Spanish PIT liability, in the case of Spanish resident individuals, or against final Spanish CIT liability, in the case of Spanish CIT taxpayers, or against final Spanish Non-Residents' Income Tax liability, in the case of Spanish permanent establishments of non resident investors. However, holders of the Notes who are CIT taxpayers or Non-Residents' Income Taxpayers acting through a permanent establishment in Spain can benefit from a withholding tax exemption when the Notes are (a) listed in an OECD official stock exchange; or (b) represented in book-entry form and admitted to trading on a Spanish secondary stock exchange or on the Alternative Fixed Income Securities Market (*Mercado Alternativo de Renta Fija*).

Additionally, when the Notes (i) are represented in book-entry form; (ii) are admitted to trading on a Spanish secondary stock exchange; and (iii) generate explicit yield, holders who are PIT taxpayers can benefit from a withholding tax exemption in respect of the income arising from the transfer or repayment of such Notes. However, under certain circumstances, when a transfer of the Notes has occurred within the 30-day period immediately preceding any relevant interest payment date, such PIT taxpayers may not be eligible for such withholding tax exemption.

Furthermore, such financial institution may become obliged to comply with the formalities set out in the regulations of the Spanish tax legislation when intervening in the transfer or reimbursement of the Notes.

5. Indirect taxation

The acquisition, transfer, redemption, reimbursement and exchange of the Notes will be exempt from Transfer Tax and Stamp Duty as well as Value Added Tax.

6. Reporting Obligations to the Spanish Tax Authorities

Spanish resident holders of Notes or non-resident holders with a permanent establishment in Spain to which the Notes are effectively connected should seek advice from their tax adviser as to whether they should include the Notes in the annual reporting (Form 720) to the Spanish Tax Authorities declaring assets and rights held outside Spain (filing in respect of Notes held as of 31 December 2018 will be due by 31 March 2019). Failure to satisfy this reporting obligation may trigger significant tax penalties and other tax implications.

UNITED KINGDOM TAXATION

The following comments are of a general nature, apply only to persons who are the beneficial owners of Notes and are a summary of the Issuers' understanding of current United Kingdom tax law and published HM Revenue and Customs' practice relating only to the United Kingdom withholding tax treatment of payments in respect of Notes and to whether the issue, transfer or redemption of a Note could be subject to United Kingdom stamp duty or stamp duty reserve tax. It does not deal with any other United Kingdom taxation implications of acquiring, holding, disposing or the redemption of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

1. Withholding taxes

Payments of interest on the Notes that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax. If interest paid on the Notes does have a United Kingdom source, then payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax in any of the following circumstances

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes carry a right to interest, constitute a "security" for the purposes of section 987 of the Income Tax Act 2007 and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The Italian Stock Exchange, the Luxembourg Stock Exchange, Euronext Paris and Euronext Brussels are recognised stock exchanges. The Notes will satisfy this requirement if they are officially listed in Italy, Luxembourg, France or Belgium on those stock exchanges in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Italian Stock Exchange, the Luxembourg Stock Exchange, Euronext Paris or Euronext Brussels (as applicable). Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Notes will be payable without deduction of or withholding on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Notes which have a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The references to "interest" under this section mean "interest" as understood in United Kingdom tax law. Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment or a manufactured payment for United Kingdom tax purposes. In such a case, the payment may fall to be made under deduction of United Kingdom tax (the rate of withholding depending on the nature of the payment), subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

2. Stamp duty and stamp duty reserve tax

A charge to stamp duty or stamp duty reserve tax may, in certain circumstances, arise on the issue, transfer, exercise, settlement and/or redemption of Notes and stamp duty reserve tax may also be payable in relation to any agreement to transfer Notes. This will depend upon the terms and conditions of the relevant Notes. Noteholders should take their own advice from an appropriately qualified professional advisor in this regard.

U.S. DIVIDEND EQUIVALENT WITHHOLDING

Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "**Code**") treats a "dividend equivalent" payment as a dividend from sources within the United States that is generally subject to a 30 per cent. U.S. withholding tax which may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the U.S. Internal Revenue Service (the "**IRS**"). A "**dividend equivalent**" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). U.S. Treasury regulations issued under Section 871(m) and applicable guidance ("**Section 871(m) Regulations**"), require withholding on certain non-U.S. holders of the Securities with respect to amounts treated as dividend equivalent payments. 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, 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**"). Certain exceptions to this withholding requirement apply, 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 upon the date of maturity, lapse or other disposition 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. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Securities in respect of any dividend equivalent arising with respect to such Securities regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a non-U.S. holder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the U.S. Internal Revenue Service. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Securities issued on or after 1 January 2017. If the terms of a Security are subject to a "significant modification" (as defined for U.S. tax purposes), the Security generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Security is a Specified Security. Similarly, if additional Securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Securities out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Securities are Specified Securities as the date of such subsequent sale or issuance. Consequently, a previously out of scope Security might be treated as a Specified Security following such modification or further issuance.

The applicable Final Terms will indicate whether the Issuer has determined that Securities are Specified Securities and may specify contact details for obtaining additional information regarding the application of Section 871(m) to such Securities. The applicable Final Terms will also indicate if payments on a series of Specified Securities are calculated by reference to "Net Dividends" (i.e., the dividends paid by an issuer of a security net of 30 per cent. U.S. federal withholding tax) or "Net Total Returns" (i.e., the net total return of the U.S. source dividend paying components, as calculated by the relevant Index Sponsor, of an index that reinvests U.S. source dividends paid by an issuer of a security that is a component of the index net of 30 per cent. U.S. withholding tax on such U.S. source dividends). A non-U.S. holder of such Specified Securities should expect to be subject to withholding in respect of any underlying dividend-paying U.S. 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

Pursuant to certain provisions of the Code, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by "foreign financial institutions" ("**foreign passthru payments**"), (ii) dividend equivalent payments (as described above in "*U.S. Dividend Equivalent Withholding*") and (iii) payments of gross proceeds from the disposition of securities that generate dividend equivalent payments, in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments or payments of gross proceeds from the disposition of Securities that generate dividend equivalent payments, such withholding would not apply prior to 1 January 2019 and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). The grandfathering date for (A) Securities that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Securities that give rise to a dividend equivalent pursuant to Section 871(m) of the Code and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents. If additional Securities (as described under "*Terms and Conditions of the Notes—Further Issues*") that are not distinguishable from such previously issued grandfathered Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

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.

CERTAIN CONSIDERATIONS FOR ERISA AND OTHER EMPLOYEE BENEFIT PLANS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain restrictions on employee benefit plans that are subject to the fiduciary responsibility provisions of Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of any such plans (collectively, "**ERISA Plans**"), 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 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. Section 406 of ERISA and Section 4975 of the U.S. 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 Title I of 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 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 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 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 any 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 Securities or renders investment advice with respect to those assets and (ii) the Plan is paying no more than adequate consideration for the 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 Securities. Any Plan fiduciary (including the owner of an IRA) considering the purchase of Securities should consider carefully the possibility of prohibited transactions and the availability of exemptions.

U.S. governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, may nevertheless be subject to local, state, other federal or non-U.S. laws that are substantially similar to the foregoing provisions of ERISA and the Code ("**Similar Law**"). 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 SECURITIES SHOULD CONSULT WITH ITS COUNSEL BEFORE PURCHASING ANY SECURITIES.

Accordingly, its purchase of any Security, the purchaser or transferee thereof (and the person, if any, directing the acquisition of the 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 Securities through and including the date on which the purchaser or transferee disposes of its interest in such Securities, either that (a) such purchaser or transferee is not, and is not acting on behalf of, a Plan, an entity whose underlying assets include the assets of any Plan by reason of Department of Labor Regulation Section 29 C.F.R. 2510.3-101 (as modified by Section 3(42) of ERISA) or otherwise, or a governmental, church or non-U.S. plan which is subject to Similar Law (b) its acquisition, holding and disposition of such 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 violation of any Similar Law) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied.

In addition, each Benefit Plan Investor (as defined below) who purchases Securities, or any beneficial interest therein, including any fiduciary purchasing such Securities on behalf of a Benefit Plan Investor ("**Plan Fiduciary**") will be deemed to represent that (i) none of the Issuer, the Guarantor (if applicable) or any Manager or any other party to the transactions contemplated by the Base Prospectus as completed by any Pricing Supplement or any of their respective affiliated entities (the "**Transaction Parties**"), has provided or will provide advice with respect to the acquisition of the Securities by the Benefit Plan Investor, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (A) is a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the "**Advisers Act**"), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (B) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan investor; (C) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (D) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (E) has, and at all times that the Benefit Plan Investor is invested in the Securities will have, total assets of at least U.S. \$50,000,000 under its management or control (provided that this clause (E) shall not be satisfied if the Plan Fiduciary is either (1) the owner or a relative of the owner of an investing individual retirement account or (2) a participant or beneficiary of the Benefit Plan Investor investing in the Securities in such capacity); (ii) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the Benefit Plan Investor of the Securities; (iii) the Plan Fiduciary is a "fiduciary" with respect to the Benefit Plan Investor within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgment in evaluating the Benefit Plan Investor's acquisition of the Securities; (iv) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in the Securities or to negotiate the terms of the Benefit Plan Investor's investment in the Securities; and (v) the Plan Fiduciary has been informed by the Transaction Parties: (A) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the Benefit Plan Investor's acquisition of the Securities; and (B) of the existence and nature of the Transaction Parties financial interests in the Benefit Plan Investor's acquisition of such Securities. The above representations in this paragraph are intended to comply with the Department of Labor's Regulation. Sections 29 C.F.R. 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these regulations are revoked, repealed or no longer effective, these representations shall be deemed to be no longer in effect.

For this purpose, the term "Benefit Plan Investor" includes: (a) an employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to Part 4 of Title I of ERISA, (b) a plan subject to Section 4975 of the Code or (c) an entity whose underlying assets include "plan assets" by reason of any such employee benefit plan or plan's investment in the entity.

Nothing herein shall be construed as a representation that any investment in 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. Securities sold by BNPP B.V. may be subject to additional restrictions.

None of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and no such entity has given investment advice or otherwise made a recommendation, in connection with any Plan's acquisition of the U.S. Securities.

The above discussion may be modified or supplemented with respect to a particular offering of 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 or the redemption 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 the Securities, each relevant 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 Securities during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of such Securities within the United States or to, or for the account or benefit of, U.S. persons.

Terms used above that are defined in Rule 144A or Regulation S have the meanings given to them therein, as applicable.

Securities in bearer form that are debt for U.S. federal income tax purposes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain circumstances permitted by U.S. Treasury regulations. The applicable Final Terms will specify whether the provisions of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) ("**TEFRA C**") or 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 the Securities will set forth additional information relating to the offer, sale or distribution of the Securities.

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

As part of the initial distribution of the Notes of each Series which constitute Secured Securities, such Notes may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**". "**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, there are substantial differences between the two definitions and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of Notes which constitute Secured Securities, including beneficial interests in such Notes shall be deemed to have made the following representations: that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Notes or a beneficial interest in such Notes for its own account and not with a view to distribute such Securities, or, in the case of a distributor, will only distribute such Notes to a person which is not a Risk Retention U.S. Person, and (3) is not acquiring such Notes or a beneficial interest in such Notes as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

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

European Economic Area

Please note that in relation to EEA states, additional selling restrictions may apply in respect of any specific EEA state, including those set out below in relation to Belgium, France, Italy, Luxembourg, Poland, Portugal, Romania, Spain and the United Kingdom.

If the Final Terms specifies "Prohibition of Sales to EEA Retail Investors – Selling Restriction" as applicable, Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto may not be offered, sold or otherwise made available to any retail investor in the EEA, other than in the jurisdiction(s) for which a key information document is made available. If the Final Terms specifies "Prohibition of Sales to EEA Retail Investors – Selling Restriction" as not applicable, Notes which are the subject of an offering contemplated by the Base Prospectus as completed by the Final Terms may be offered, sold or otherwise made available to retail investors in the EEA, provided that, where a key information document is required pursuant to Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**"), the Securities may only be offered, sold or otherwise made available to retail investors in the jurisdiction(s) for which a key information document is made available. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

With respect to each such Member State of the EEA 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 and in the jurisdiction(s) for which a key information document is made available 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), 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.

Belgium

Other than in respect of Securities for which "Prohibition of Sales to Belgian Consumers" is specified as "Not applicable" in the applicable Final Terms, an offering of Securities may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**") and Securities may not be offered, sold or resold, transferred or delivered, and no prospectus, memorandum, information circular, brochure or any similar documents in relation to the Securities may be distributed, directly or indirectly, to any Belgian Consumer.

With regard to Securities having a maturity of less than 12 months and qualifying as money market instruments within the meaning of the Belgian Prospectus Act (as defined below) (and which therefore fall outside the scope of the Prospectus Directive), this Base Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers*) (the "**FSMA**"). Accordingly, no action will be taken that would be characterised as or result in a public offering of such Securities in Belgium in accordance with the Prospectus Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time (the "**Belgian Prospectus Act**").

In the case of Fund Linked Securities, the relevant underlying funds may not be registered in Belgium with the Belgian FSMA in accordance with the Belgian law of 3 August 2012 on the collective investment undertakings satisfying the conditions set out in Directive 2009/65/EC and undertakings for investment in receivables, as amended or replaced from time to time (the "**UCITS Law**") or the Belgian law of 19 April 2014 on alternative collective investment undertakings and their managers, as amended or replaced from time to time (the "**AIFM Law**"), as applicable, and, if so, such Fund Linked Securities cannot be offered publicly in Belgium unless Cash Settlement applies. The shares and other securities issued by such non-registered funds cannot be offered publicly in Belgium.

The Securities shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

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); 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**") (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 Offshore Derivative Instrument ("**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 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) business days prior to the Manager/Adviser Transfer.

- (b) each holder is not a person/entity whose (i) controller is a Restricted Entity; or (ii) beneficial owner is a Restricted Entity under clause (i) and (ii) of paragraph (a). For these purposes, the term "beneficial owner" shall be as provided under sub rule (3) of Rule 9 of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005 (the "**PML Rules**") read with the SEBI Circular bearing ref no. CIR/IMD/FPI&C/59/2016 dated 10 June 2016 and the relevant provisions of the FPI Regulations, each as supplemented, amended and modified from time to time.

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 ODIs.
- (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, 2015, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, each as amended from time to time, together with any modifications thereto or re-enactments thereof).
- (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) or is a resident (who falls under Category I foreign portfolio investor) of a country approved by the Government of India;
 - (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) the holder will provide such information and documents (including in relation to any procedures on identification and verification of identity) as may be requested from time to time in relation to the beneficial owners as defined in paragraph (b) above. This requirement may include providing information on the following:
- (i) in case of companies (other than a company listed on a stock exchange or a subsidiary of such listed company), a person, who whether acting alone or together, or through one or more person, has ownership of or entitlement to more than 25 per cent. of shares or capital or profits of the company, or, exercises control through other means. For the purposes of this representation, "control" shall have the same meaning as set out in clause (a) of sub rule (3) of Rule 9 of the PML Rules.
 - (ii) in case of trusts, beneficiaries with 15 per cent. or more interest in the holder.
 - (iii) in case of partnership firms, a person who, whether acting alone or together, or through one or more person, has ownership of/entitlement to more than 15 per cent. of capital or profits of the partnership.
 - (iv) in case of unincorporated association or body of individuals, a person who, whether acting alone or together, or through one or more person, has ownership of or entitlement to more than 15 per cent. of the property or capital or profits of such association or body of individuals.
 - (v) in case no material shareholder/ beneficial owner is identified applying the above thresholds, the natural person who holds the position of senior managing official of the holder, the investment manager or the investment adviser or the investment controller, or, the person who controls the operations.
- (g) it shall ensure that investment (including, synthetically through ODIs) by each holder, whether directly in its own name as a foreign portfolio investor⁶ 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 8 January 2014 on Operational Guidelines for Designated Depository Participants) to which the holder belongs, in equity shares of each Indian company is below 10 per cent. of the total issued capital of the company⁷ 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;

⁶ For the purpose of this paragraph, the SEBI Circular no. SEBI/HO/IMD/ FPIC/CIR/P/2018/66 dated 10 April 2018 clarifies that two or more foreign portfolio investors will be considered as forming part of the same investor group where such foreign portfolio investors constitute the same set of beneficial owners (as determined under Rule 9 of the PML Rules), who have common beneficial ownership of more than 50 per cent. of such foreign portfolio investors.

⁷ For the purpose of this paragraph, the SEBI Circular no. SEBI/HO/IMD/ FPIC/CIR/P/2018/66 dated 10 April 2018 clarifies that investment by: (i) two or more foreign government entities or related entities from the same jurisdiction which have the same set of beneficial owners (as determined under Rule 9 of the PML Rules); or (ii) a foreign government agency and foreign government entities or their related entities (forming part of the same investor group, will be grouped together for the purpose of calculating their 10 per cent. investment limit. The SEBI Circular also clarifies that investments by foreign governments or their related entities with provinces or states

- (h) the holder shall (with effect from 7 July 2017) not take any fresh ODI positions or renew, extend or rollover their existing ODI positions in relation to ODIs with derivatives as underlying (except where such underlying derivative positions are for the purpose of hedging equity shares⁸ held on a one-to-one basis). For the avoidance of doubt, the Holder shall be permitted to hold such existing ODI positions as of 7 July 2017, until the earlier of the date of expiry of such positions and 31 December 2020.
- (i) 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;
- (j) 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 will obtain prior consent of the Issuer for any transfer, unless the person to whom the transfer is to be made is pre-approved by the Issuer;
- (D) it consents to the provision by the Issuer to any Authority of any information in its possession regarding it and the 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
- (E) it will, at its option, either:
 - (I) provide to the Issuer such additional information as the Issuer reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time (the "**Additional Information**"); or
 - (II) subject to such Authority accepting such direct provision, provide such Additional Information directly to such Authority and confirm to the Issuer that it has done so.
- (F) it agrees that in the event of any non-compliance with, or breach, violation or contravention by the holder of any of the terms set out herein, the Issuer may notify any Authority of any such breach, violation or contravention and exercise any rights and take any measures available to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention.
- (G) it agrees that the Issuer may, to the extent required to comply with applicable laws, regulations, notifications, circulars, rules, guidelines, clarifications, directions, orders and/or decrees issued by a governmental or regulatory authority, by issuing a written notice to the holder unilaterally modifying the restrictions set out herein after purchase of the Notes and notifying the holder of the same, and such written notice shall be effective and deemed agreed and accepted by the holder when issued ;

⁸ in countries with a federal structure and having different beneficial owners (as identified in accordance with PML Rules) will not be grouped together for the purpose of calculating their 10 per cent. investment limit. The SEBI Circular bearing ref no. CIR/IMD/FPI&C/76/2017 dated 7 July 2017 specifically clarifies that the phrase "hedging of equity shares" means taking a one-to-one position in only those derivatives that have the same underlying as the equity share.

- (H) it undertakes to ensure that the specific requirements and obligations mentioned in the India side letter are satisfied and complied with; and
- (I) it undertakes to promptly notify the Issuer should any of the warranties, agreements, undertakings and representations set out herein, are breached, change or no longer hold true;

This document has not been and will not be registered as a prospectus either with the Registrar of Companies or with any other regulatory authority in India, and the holder will not circulate or distribute this document or any other offering document or material relating to the 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.

Poland

In addition to the rules applicable to the European Economic Area as described above, in connection with any private placement in the Republic of Poland ("**Poland**"), no permit has been obtained from the Polish Financial Supervisory Authority (the "**Polish FSA**") in relation to the issue of any Securities nor has the issue of any Securities been notified to the Polish FSA in accordance with applicable procedures. Accordingly, Securities may not be publicly offered in Poland, as defined in the Polish Act on Public Offerings and on the Conditions of Introducing Financial Instruments to an Organised Trading System and on Public Companies of 29 July 2005 (as amended) as a communication made in any form and by any means, directed at 150 or more people in the territory of one member state or at an unnamed addressee, containing information on the securities and the terms of their acquisition which is sufficient enough to enable an investor to decide on the securities' acquisition (a "**Polish Public Offering**"). Each holder of Securities, by the purchase of Securities, is deemed to confirm that it is aware that no such permit has been obtained nor such notification made.

Each holder of Securities is deemed to represent, that it has not offered, sold or delivered and shall not offer, sell or deliver the Securities in Poland in the manner defined as a Polish Public Offering as part of its initial distribution or otherwise to residents of Poland or in Poland. Each holder of Securities is deemed to acknowledge, that the acquisition and holding of the Securities by residents of Poland may be subject to restrictions imposed by Polish law (including foreign exchange regulations), and that offers and sales of Securities to Polish residents or in Poland in secondary trading may also be subject to restrictions.

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; and

- (b) 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.

Moreover, the Securities may be offered at any time to any entities who are considered to be qualified investors according to article 30 of the Portuguese Securities Code ("**Código dos Valores Mobiliários**").

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.

Republic of Italy

Unless specified in the relevant Final Terms that a non-exempt offer may be made in Italy, the offering of the Securities has not been registered pursuant to Italian securities legislation and, accordingly, no Securities may be offered, sold or delivered, nor may copies of the Base Prospectus (including the applicable Final Terms) or of any other document relating to the Securities be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 34-ter, first paragraph, letter *b*) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**");
or

- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Securities or distribution of copies of the Base Prospectus (including the applicable Final Terms) or any other document relating to the Securities in the Republic of Italy under (a) or (b) above must:

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (a) and (b) above, Securities which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are regularly ("sistematicamente") distributed on the secondary market in Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Securities being declared null and void and in the liability of the intermediary transferring the Securities for any damages suffered by such non-qualified investors.

Republic of Korea

The Securities have not been and will not be registered with the Financial Services Commission of Korea for public offering in the Republic of 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 the Republic of Korea or to any resident of the Republic of Korea except pursuant to the applicable laws and regulations of the Republic 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 South 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.

Romania

The Securities may not be offered or sold, directly or indirectly, in Romania and neither this Base Prospectus, the Final Terms nor any other offering material or advertisement in connection with the Securities may be distributed or published in Romania, except in circumstances which:

- (a) constitute a public offering of securities in Romania made on the basis of the Base Prospectus, the Final Terms and any other supplement thereto approved by or, following the approval by the AMF, notified to the Romanian Financial Supervisory Authority in accordance with article 49 of Regulation No. 1/2006 on issuers and securities operations in the period beginning and ending on the dates specified in the Base Prospectus or the Final Terms, as applicable, and if the relevant Issuer has consented in writing to its use for carrying out a public offering of securities in Romania.

For the purpose of this paragraph, the expression "public offering of securities" in relation to any of the Securities means the communication addressed to persons, in any form and by any means, which presents sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities; or

- (b) where limb (a) above does not apply, constitute an exempt offering which shall not require the relevant Issuer or any broker/dealer to draw up and publish a prospectus or supplement a prospectus in accordance with article 3(2) of the Prospectus Directive as implemented under article 16 (3) of Law No. 24/2017 on issuer and market operations and article 15 of Regulation No. 1/2006 on issuers and securities operations.

Please note that any subsequent sale or distribution of the Securities on the secondary market in Romania must be made in compliance with the public offer and the prospectus requirement rules and a new assessment of the application of any exemption from the requirement to prepare and publish a prospectus must be made.

No action has been taken or will be taken which would result in the issue or offering of the Securities being considered an intention to offer or market in Romania fund units or shares or manage investment funds as regulated by Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS") as implemented by Romanian Government Emergency Ordinance No. 32/2012 on UCITS and by Directive 2011/61/EU on Alternative Investment Fund Managers ("AIFMD") as implemented by Romanian Law No. 74/2015 on AIFM. Any issue, offer, sale or marketing of the Securities to that effect has been or will be carried out in accordance with the aforementioned pieces of Romanian legislation.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Securities may not be circulated or distributed, nor may the Securities be offered or sold or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA") pursuant to Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1) or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to institutional investor (as defined in Section 4A of the SFA) or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) pursuant to Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005.

Spain

In addition to the selling restrictions under the Prospectus Directive in relation to EEA States, as stated above, when the offer is not strictly addressed to qualified investors (as described in the Prospectus Directive) in the Kingdom of Spain, any offer sale or delivery of the Securities, must be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Kingdom of Spain in accordance with the Royal Legislative Decree 4/2015, of 23 October, approving the revised text of the Spanish Securities Market.

Taiwan

The Securities may not be sold offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase by such investors outside Taiwan so long as no solicitation or other activities take place (A) in Taiwan or (B) otherwise in violation of any applicable Taiwan law or regulation and/or (ii) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products under which rules the Securities have been registered in Taiwan or other applicable Taiwan law or regulation.

Thailand

This Base Prospectus has not been approved by or filed with the Securities and Exchange Commission or any other regulatory authority of the Kingdom of Thailand. Accordingly, the Securities may not be offered or sold, or this Base Prospectus or any other documents relating to the offer of the Securities be distributed, directly or indirectly, to any person in Thailand except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the Thai government and regulatory authorities in effect at the relevant time.

United Kingdom

Securities issued by BNPP B.V. or BP2F which have a maturity of less than one year will not be offered or sold other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purpose of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by BNPP B.V. or BP2F.

An invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) may only be communicated or caused to be communicated and will only communicate or cause to be communicated in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not or, in the case of BNPP, would not, if it was not an authorised person, apply to the relevant Issuer or the relevant Guarantor (if applicable).

All applicable provisions of the FSMA must be complied with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

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 29 May 2018 and (ii) circular resolutions of the Board of Directors of BP2F dated on or about 3 June 2018. The update of the Programme and the giving of the Guarantees was approved by resolutions of the Executive Board of BNPPF passed on 8 May 2018. 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°18-226 on 5 June 2018 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 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 2016 and 31 December 2017;
- (iv) the audited annual non-consolidated financial statements of BNPP B.V. for the years ended 31 December 2016 and 31 December 2017 (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 2016 and 31 December 2017 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 2016 and 31 December 2017 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 2016 and 31 December 2017 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 semi-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 2016 Registration Document (in English);
- (xiv) the BNPP 2017 Registration Document (in English);
- (xv) the First Update to the BNPP 2017 Registration Document (in English); and
- (xvi) the 2017 BNPPF Annual Report.

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>).

5. 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 BNPPF Guarantee and the document listed at (v) and (xvi) above are available at the registered office of BNPPF. Material Adverse Change

There has been no material adverse change in the prospects of BNPP or the Group since 31 December 2017 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BP2F since 31 December 2016 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BNPPF since 31 December 2017 (being the end of the last financial period for which audited financial statements have been published).

6. Legal and Arbitration Proceedings

Save as disclosed on pages 217 and 218 of the BNPP 2017 Registration Document (in English) and pages 98 to 100 of the First Update to the BNPP 2017 Registration Document (in English), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering at least the twelve (12) months prior to the

date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPP and/or the Group's financial position or profitability.

Save as disclosed in the section "Risk Factors relating to BNPPF" and under the "Description of BNPPF" in this Base Prospectus, and under Note 7.a. (*Contingent liabilities: legal proceeding and arbitration*) on pages 128 and 129 of the 2017 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 2017 (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 2017 (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 2017 (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 2017 (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 2017 Registration Document (in English) relating to BNPP which is incorporated by reference herein.

The "Description of BNPP B.V." above includes details of the Management Board of BNPP B.V.

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.

Page 192 of the BNPPF Annual Report 2017 (incorporated by reference in this Base Prospectus), being the Information related to Article 523 of the Belgian Companies Code concerns the "Remuneration and benefits awarded to the BNP Paribas Fortis Executive Directors" and relates to a decision of a meeting held by the Board of Directors of BNPPF on 9 March 2017.

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 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. 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 24 May 2018 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 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Etienne Boris.

Deputy:

Jean-Baptiste Deschryver, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Hervé Hélias.

Deputy:

Charles de Boisriou, 61 Rue Henri-Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux Comptes*).

BNPP B.V.

In June 2012 Mazars Paardekooper Hoffman Accountants N.V. were appointed as the auditors of BNPP B.V. Mazars Paardekooper Hoffman Accountants N.V. are independent public accountants in the Netherlands registered with NBA (*Nederlandse Beroepsorganisatie van Accountants*).

The address of Mazars Paardekooper Hoffman Accountants N.V. is Delflandlaan 1, 1062 EA Amsterdam.

The financial statements of BNPP B.V. for the years ending 31 December 2016 and 31 December 2017 have been audited without qualification by Mazars Paardekooper Hoffman Accountants N.V.

BNPPF

The financial statements for the year ending 31 December 2016 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, Gateway Building, Luchtavan Nationaal 1J, 1930, Zaventem, 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*.

The financial statements for the year ending 31 December 2017 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, Gateway Building, Luchtavan Nationaal 1J, 1930, Zaventem, in accordance with the laws of Belgium. An unqualified opinion on the consolidated financial statements with an explanatory paragraph has been issued on 4 April 2017. All are members of the *Instituut der Bedrijfsrevisoren/Institut des Reviseurs d'Enterprises*.

Since the Annual Shareholders' Meeting of 19 April 2018, PwC Bedrijfsrevisoren bcvba/Reviseurs d'Enterprises scrl, represented by Damien Walgrave, are the sole statutory auditors of BNP Paribas Fortis SA/NV.

BP2F

The annual accounts of BP2F for the year ended 31 December 2016 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 2017 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 2016 and 31 December 2017 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.

13. Clearing Systems

The English Law Securities represented by a Global Security have been accepted for clearance through Clearstream, Luxembourg, Euroclear 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.

The French Law Securities have been accepted for clearance through Euroclear France, Euroclear and/or Clearstream, Luxembourg.

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).

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 France is 113 rue Réaumur, F-75081 Paris-CEDEX 02.

The address of Monte Titoli is Piazza degli Affari, 6, 20123 Milano.

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 ("BP²I") joint venture set up with IBM France at the end of 2003. BP²I 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 and has subsequently renewed the agreement for a period lasting until end-2021. At the end of 2012, the parties entered into an agreement to gradually extend this arrangement to BNP Paribas Fortis as from 2013. The Swiss subsidiary was closed on 31 December 2016.

BP²I 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 BP²I 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.

IBM Luxembourg is responsible for infrastructure services and data production for some of the BNPP Luxembourg entities.

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

BNP Paribas consolidated capitalization and medium and long term debt indebtedness over one year		
Group accounting method		
In Millions of Euros	BNP PARIBAS GROUP 31 March 2018 (audited)	BNP PARIBAS GROUP 31 December 2017 (audited)
Senior preferred debt at fair value through profit or loss	35,543	36,278
Senior preferred debt measured at amortised cost	49,710	52,154
Total Senior Preferred Debt	85,253	88,432
Senior non-preferred debt at amortised cost	16,715	10,964
Total Senior Non-Preferred Debt	16,715	10,964

Redeemable subordinated debt at amortised cost	14,242	13,357
Undated subordinated notes at amortised cost	1,581	1,593
Undated participating subordinated notes at amortised cost	222	222
Redeemable subordinated notes at fair value through profit or loss	120	122
Perpetual subordinated debt at fair value through profit or loss ⁹	669	669
Preferred shares and equivalent instruments	8,164	8,172
Total Subordinated Debt	24,997	24,135
Issued capital	2,500	2,498
Additional paid-in capital	24,541	24,553
Retained earnings	59,400	59,861
Unrealised or deferred gains and losses attributable to shareholders	992	3,130
Total Shareholders' Equity and Equivalents (net of proposed dividends)	87,433	90,042
Minority interests (net of proposed dividends)	5,092	5,127
Total Capitalization and Medium-to-Long Term Indebtedness	219,490	218,700

18. Events impacting the solvency of BNPP

To the best of BNPP's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of BNPP's solvency since 31 December 2017.

⁹ As at 31 March 2018, EUR 205 million of subordinated debt is eligible as Tier 1 capital.

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) 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 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 "**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) and BNPPF's website (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 II (Directive 2014/65/EU); 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 and consider the relevant manufacturer's target market and assessment and distribution channels identified under the "MiFID II product governance/target market assessment" legend which may be set out in the applicable Final Terms;
 - 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. where the offer relates to English Law Securities each of the relevant Issuer and the financial intermediary will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

Any Authorised Offeror falling within (b) above who meets the conditions set out in (b) and the other conditions stated in "*Common Conditions to Consent*" below and who wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.

Common Conditions to Consent

The conditions to the Issuer's consent to the use of this Base Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (b) above if Part A of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms; and
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in Belgium, France, Italy, Luxembourg, Poland, Portugal, Romania, Spain and the United Kingdom as specified in the applicable Final Terms.

The consent referred to above only relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

The only relevant Member States which may, in respect of any Tranche of Securities, be specified in the applicable Final Terms (if any Relevant Member States are so specified) as indicated in (ii) above, will be Belgium, France, Italy, Luxembourg, Poland, Portugal, Romania, Spain and the United Kingdom and accordingly each Tranche of Securities may only be offered to Investors as part of a Non-exempt Offer in Belgium, France, Italy, Luxembourg, Poland, Portugal, Romania, Spain and the United Kingdom 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.

BNP Paribas

16 boulevard des Italiens
75009 Paris
France

Represented by Michel Konczaty
in his capacity as Deputy Chief Operating Officer

Dated 5 June 2018



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°18-226 on 5 June 2018. 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 this Base Prospectus and it does not mean that any financial transactions that may be issued pursuant to this Base Prospectus have been granted approval by the AMF. 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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Printed by Allen & Overy LLP