

## FINAL TERMS

3 June 2011

### BANCA IMI S.p.A.

*(incorporated with limited liability in the Republic of Italy)*

### Issue of up to EUR 100,000,000 Digital Equities Basket Notes (the "Notes")

#### under the Structured Note Programme

#### PART A – CONTRACTUAL TERMS

The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 46 of Part A below, provided such person is one of the persons mentioned in Paragraph 46 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Manager has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 6 August 2010 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu) and on the website of the Issuer at [www.bancaimi.com](http://www.bancaimi.com) and during normal business hours at the registered office of the Issuer and the specified offices of the Paying Agents.

*The purchase of Notes involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth (or incorporated by reference) in the Base Prospectus (including "Risk Factors" on pages 17 to 29 thereof) and these Final Terms.*

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

*By investing in the Notes each investor represents that:*

- (a) *Non-Reliance. It is acting for its own account, and it has made its own independent decisions to invest in the Notes and as to whether the investment in the Notes is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes. No communication (written or oral) received from the Issuer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Notes.*
- (b) *Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the Notes. It is also capable of assuming, and assumes, the risks of the investment in the Notes.*
- (c) *Status of Parties. The Issuer is not acting as a fiduciary for or adviser to it in respect of the investment in the Notes.*

- |    |                                   |                       |
|----|-----------------------------------|-----------------------|
| 1. | Issuer:                           | Banca IMI S.p.A.      |
| 2. | (i) Series Number:                | 66                    |
|    | (ii) Tranche Number:              | 1                     |
| 3. | Specified Currency or Currencies: | Euro (EUR)            |
| 4. | Aggregate Nominal Amount:         |                       |
|    | (i) Series:                       | Up to EUR 100,000,000 |
|    | (ii) Tranche:                     | Up to EUR 100,000,000 |

The Aggregate Nominal Amount will not exceed EUR 100,000,000 and will be determined at the end of the Offer Period (as defined in item 46 below) and such final amount will be filed with the CSSF as competent authority and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) pursuant to Articles 8 and 14(2) of the Prospectus Directive.

- |    |                                  |   |
|----|----------------------------------|---|
| 5. | Issue Price of Tranche:          | 100 per cent. of the Aggregate Nominal Amount |
| 6. | (a) Specified Denomination:      | EUR 1,000                                     |
|    | (b) Calculation Amount:          | EUR 1,000                                     |
| 7. | (i) Issue Date:                  | 30 June 2011                                  |
|    | (ii) Interest Commencement Date: | Issue Date                                    |

8. Maturity Date: The Maturity Date of the Notes will be 30 June 2017, unless the Barrier Condition has been satisfied in respect of any prior Specified Interest Payment Date, in which event the Maturity Date will be:
- 30 June 2014, where the Barrier Condition has been satisfied in respect of the Specified Interest Payment Date scheduled to fall on 30 June 2014;
  - 30 June 2015, where the Barrier Condition has been satisfied in respect of the Specified Interest Payment Date scheduled to fall on 30 June 2015;
  - 30 June 2016, where the Barrier Condition has been satisfied in respect of the Specified Interest Payment Date scheduled to fall on 30 June 2016.
9. Interest Basis: Fixed Rate in respect of the first and second Interest Period; Equity Linked Interest thereafter
- (further particulars specified in item 16 and item 23 below)*
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: See item 9 above
12. Put/Call Options: Not Applicable
13. Status of the Notes: Senior
14. Tax Gross-Up: Condition 11 (b) applicable
15. Method of distribution: Non-syndicated (see for further details item 46 below)

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16. Fixed Rate Note Provisions: Applicable, in respect of the first and second Interest Period only
- (i) Rate(s) of Interest: 4.50 per cent. per annum from and including the Issue Date up to but excluding 30 June 2013
- (ii) Interest Payment Date(s): 30 June 2012  
30 June 2013
- (iii) Fixed Coupon Amount(s): EUR 45.00 per Calculation Amount
- (iv) Broken Amount(s): Not Applicable

(v)	Day Count Fraction:	Actual/Actual (ICMA)
(vi)	Determination Date(s):	The Interest Commencement Date, 30 June 2012 and 30 June 2013
(vii)	Other Terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
17.	Floating Rate Note Provisions	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Currency Linked Interest Note Provisions	Not Applicable
20.	Commodity Linked Interest Note Provisions	Not Applicable
21.	Fund Linked Interest Note Provisions	Not Applicable
22.	Index Linked Interest Note Provisions	Not Applicable
23.	Equity Linked Interest Note Provisions	Applicable <u>in respect of the third Interest Period and (if any) each subsequent Interest Period thereafter</u>

(i) Formula for calculating interest rate including backup provisions: Each Note of EUR 1,000 Calculation Amount will pay on a Specified Interest Payment Date (as stated in item (v) below) an Interest Amount (an **Equity Linked Contingent Coupon**) equal to

- EUR (80.00 \* n), where the Barrier Condition has been satisfied in the relevant Observation Period;
- otherwise, EUR 00.00

where “n” means

- 1, in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup>, 2014;
- 2, in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup>, 2015;
- 3, in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup>, 2016; and
- 4, in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup>, 2017.

For the avoidance of any doubt, where the Barrier Condition has not been satisfied in an Observation Period, the Equity Linked Contingent Coupon payable on the Specified Interest Payment Date relating to such Observation Period shall be zero.

**Barrier Condition** means that, in respect of a Specified Interest Payment Date and the relevant Observation Period, - and the Barrier Condition will be satisfied in respect of a Specified Interest Payment Date to the extent that - on the Valuation Date relating to such Observation Period the relevant Final Price of ALL the Underlying Equities comprised in the Basket of Equities was higher than or equal to the relevant Barrier Price.

**Basket of Equities** means a basket comprised of the following equity securities in the following entities (each an **Underlying Equity** and each relevant issuer thereof an **Equity Issuer**):

- common shares in ENI S.p.A. (Bloomberg Code: ENI IM)
- common shares in DAIMLER AG – Registered Shares (Bloomberg Code: DAI GY)
- common shares in FRANCE TELECOM S.A. (Bloomberg Code: FTE FP)
- common shares in NOKIA OYJ (Bloomberg Code: NOK1V FH)
- common shares in TELEFONICA S.A. (Bloomberg Code: TEF SM)

Terms defined in Annex 1 hereto shall have for the purposes of the Notes the meaning therein ascribed to them, provided that, save as otherwise defined in Annex 1, the definitions as set out in Annex 2 to the Terms and Conditions “Definitions applicable to Equity Linked Redemption Notes” shall apply to the Notes.

- |       |   |   |
|-------|---|---|
| (ii)  | Calculation Agent   | Banca IMI S.p.A.<br>Largo Mattioli 3<br>20121 Milan   |
| (iii) | Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): | Conditions apply  |
| (iv)  | Provisions for calculating interest where calculation by reference to formula is impossible or impracticable:                 | Upon occurrence of a Merger Event, Nationalisation, Insolvency, De-listing, Tender Offer, Demerger, the provisions stated in Annex 2 hereto shall apply.  |
| (v)   | Specified Period(s)/Specified Interest Payment Date(s):   | The Specified Interest Payment Dates are: <ul style="list-style-type: none"><li>• 30 June 2014;</li><li>• (subject to the Notes having not been prior redeemed upon occurrence of a Barrier Condition), 30 June 2015;</li><li>• (subject to the Notes having not been prior redeemed upon occurrence of a Barrier Condition), 30 June 2016;</li><li>• (subject to the Notes having not been prior redeemed upon occurrence of a Barrier Condition), 30 June 2017.</li></ul> |

(vi)	Business Day Convention:	Following
(vii)	Additional Business Centre:	Not Applicable
(viii)	Minimum Rate of Interest:	Not Applicable
(ix)	Maximum Rate of Interest:	Not Applicable
(x)	Day Count Fraction:	Not Applicable
(xi)	Other terms or special conditions:	Condition 9(b)(i) and (iii) shall apply to the Notes, irrespective of the Notes being Equity Linked Interest Notes and not Equity Linked Redemption Notes.

Upon occurrence of a Merger Event, Nationalisation, Insolvency, De-listing, Tender Offer, Demerger, the provisions stated in Annex 2 hereto shall apply.

In the event that any price published by an Exchange and which is utilized for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the Exchange within the earlier of (i) one Settlement Cycle after the original publication and (ii) the close of business on the relevant Sunset Date, the Calculation Agent will determine whether the Barrier Condition has been satisfied for the relevant Observation Period and therefore whether the Equity Linked Contingent Coupon will be paid on the relevant Specified Interest Payment Date taking into account the price as correctly published.

#### **PROVISIONS RELATING TO REDEMPTION**

24. Issuer Call:	Not Applicable
25. Investor Put:	Not Applicable
26. Final Redemption Amount of each Note	EUR 1,000 per Calculation Amount

27. (i) Early Redemption Amount of each Note payable on redemption for taxation reasons, redemption for illegality or on event of default (or, in the case of Index Linked Redemption Notes, following an Index Adjustment Event in accordance with Condition 8(b)(ii)(y) or, in the case of Equity Linked Redemption Notes, following certain corporate events in accordance with Condition 9(b)(ii)(B) or, in the case of Credit Linked Notes, following a Merger Event (if applicable)) and/or the method of calculating the same (if required or if different from that set out in Condition 6(f):

The higher of (i) EUR 1,000 per Calculation Amount and (ii) an amount in the Specified Currency which the Calculation Agent will determine and calculate in its sole discretion in good faith and in a commercially reasonable manner as representing the fair economic value of the Note at the date of redemption, without making any reduction to such value by reason of the financial condition of the Issuer but taking into account (without duplication) any costs and expenses incurred by the Issuer in connection with the termination of any agreement or instrument entered into by the Issuer for the purposes of hedging the risk arising from the entering into and performance of its obligations under the Notes.

(ii) Early Redemption Unwind Costs:

Not Applicable

28. Currency Linked Redemption Notes:

Not Applicable

29. Commodity Linked Redemption Notes:

Not Applicable

30. Fund Linked Redemption Notes:

Not Applicable

31. Index Linked Redemption Notes:

Not Applicable

32. Equity Linked Redemption Notes:

Not Applicable

33. Credit Linked Notes:

Not Applicable



## GENERAL PROVISIONS APPLICABLE TO THE NOTES

### 34. Form of Notes:

(a) Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Notes only upon an Exchange Event

(b) New Global Note: Yes

35. Additional Financial Centre(s) or other special provisions relating to Payment Days: Not Applicable

36. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): No

37. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable

### 38. Details relating to Instalment Notes:

(i) Instalment Amount(s): Not Applicable

(ii) Instalment Date(s): Not Applicable

39. Redenomination applicable: Redenomination not applicable

40. Notice to the Issuer: Not Applicable

41. Other final terms: Not Applicable

## DISTRIBUTION

42. (i) If syndicated, names and addresses of Managers and underwriting commitments: Not Applicable

(ii) Date of Subscription Agreement: Not Applicable

(iii) Stabilising Manager (if any): Not Applicable

43. If non-syndicated, name and address of relevant Manager, if applicable: See item 46 below

44. Total commission and concession:

The Issuer and the Manager (as defined in paragraph 46 below) have agreed a placement commission payable to the Manager of 6.00 per cent. of the Aggregate Nominal Amount of the Notes placed up to the Aggregate Nominal Amount of EUR 35,000,000 and thereafter the placement commission will be agreed upon by the Issuer and the Manager according to the then prevailing market conditions, subject to a cap of 7.00 per cent. of the Aggregate Nominal Amount of the Notes placed.

45. US Selling Restrictions:

Reg. S compliance category: TEFRA D

46. Non exempt Offer:

An offer of the Notes may be made by the Issuer through the Manager other than pursuant to Article 3(2) of the Prospectus Directive in Italy (the **Public Offer Jurisdiction**) during the period from and including 6 June 2011 until, subject to early closure, 4:00 p.m. (Milan time) on 22 June 2011 (such period, as it may be amended in case of early closure of the offer, the **Offer Period**), as provided in Paragraph 9 of Part B below.

The Notes are being offered to the public in Italy pursuant to Articles 17 and 18 of the Prospectus Directive and the implementing provisions in Italy.

The Issuer may at its discretion close the Offer Period early, also in circumstances where purchases of Notes are not yet equal to the maximum Aggregate Nominal Amount and the Issuer shall close the Offer Period early upon being notified by the Manager the subscription applications having reached the aggregate principal amount of EUR 95,000,000. Notice of the early closure of the Offer Period will be given by the Issuer by publication (i) in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and in a leading newspaper having general circulation in Italy (which is expected to be *MF*) or (ii) on the website of the Issuer and the Manager. Early closure of the offer will be effective upon publication.

The Issuer may revoke or withdraw the offer. Notice of revocation/withdrawal of the offer will be given by the Issuer by publication (i) in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and in a leading newspaper having general circulation in Italy (which is expected to be *MF*) or (ii) on the website of the Issuer and the Manager. Upon revocation/withdrawal of the offer, all subscription applications will become void and of no effect, without further notice.

Manager:

- Banca Generali S.p.A., Via Machiavelli 4, Trieste

The Issuer and the Manager have entered into a placement agreement (the **Placement Agreement**), dated on or about 3 June 2011 in connection with the placement of the Notes.

47. Additional selling restrictions:

Not Applicable

48. Conditions of Offer:

Offer of the Notes is conditional on their issue only

## LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on the regulated market of the Luxembourg Stock Exchange of the Notes described herein pursuant to the Structured Note Programme of Banca IMI S.p.A.

### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of **Banca IMI S.p.A.**:

By:   
*Duly authorised*

622

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date.
- After the Issue Date application shall be made by the Issuer (or on its behalf) to have the Notes admitted to trading on EuroTLX, a multilateral trading facility managed by EuroTLX SIM S.p.A..
- After the Issue Date, application may be made by the Issuer (or on its behalf) to list the Securities on such further or other stock exchanges or regulated markets or admitted to trading on such other trading venues (including without limitation multilateral trading facilities) as the Issuer may determine.
- (ii) Estimate of total expenses related to admission to trading: Up to EUR 3,160

### 2. RATINGS

Ratings: The Notes to be issued have not been rated.

### 3. NOTIFICATION

The CSSF has provided *inter alios* the *Commissione Nazionale per le Società e la Borsa (CONSOB)* with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

### 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

The Manager (Banca Generali S.p.A) has or may have from time to time existing relationships with the Issuer resulting in potential conflict of interest with the Noteholders and has indirect participation relationships with the Issuer (as it is controlled by Assicurazioni Generali S.p.A., which is one of the shareholders of Intesa Sanpaolo S.p.A., which in turn is the controlling company of the Issuer).

The Issuer has entered into or is expected to enter into hedging arrangements with market counterparties (including the Manager) in connection with the issue of the Notes in order to hedge its exposure and it will act as Calculation Agent under the Notes. See the risk factor “Calculation Agent’s Discretion” in page 24 of the Prospectus.

Where the nominal amount of the Notes placed by the Manager should be lower and/or higher than the notional amount of the hedging arrangements entered into by the Issuer, the Issuer will unwind such arrangements for the notional amount in excess of the Notes placed or respectively

will enter into additional hedging arrangements in respect of any such shortfall. All costs and expenses resulting from the unwinding of any such hedging arrangements or from the Issuer entering into any additional hedging arrangements will be borne by the Manager.

Save as discussed above and except for any fees payable to the Manager, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

## 5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: See "Use of Proceeds" wording in Base Prospectus
- (ii) Estimated net proceeds: The net proceeds (net of the commissions referred to in item 44 of Part A above) of the issue of the Notes will be up to 94 per cent. of the Aggregate Nominal Amount of the Notes issued at the end of the Offer Period, i.e. up to EUR 94,000,000, assuming the placement commission will be 6.00 per cent. over all the Aggregate Nominal Amount of the Notes placed.
- (iii) Estimated total expenses: The estimated total expenses that can be determined as of the Issue Date are up to EUR 3,160 consisting of Listing Fees, such expenses excluding certain out-of-pocket expenses incurred or to be incurred by or on behalf of the Issuer in connection with the admission to trading of the Notes.

## 6. YIELD

Indication of yield:

The Notes will bear a fixed rate in respect of the first and second Interest Period only, such fixed rate being 4.50 per cent. p.a.. See for further details paragraph 16 of Part A above.

In addition to the fixed interest rate coupons, the Notes might pay an equity-linked coupon contingent to the performance of a Basket of Equities on the relevant Observation Period.

See for further details paragraph 23 of Part A above.

The yield of the Notes will therefore be dependant upon the performance of the Basket of Equities on each Observation Period.

**Assuming that the Barrier Condition will NOT be satisfied over the tenor of the Notes, the gross yield of the Notes will therefore be 1.54 per cent. p.a..**

The above yields are calculated at the Issue Date on the basis of the Issue Price. They are not an indication of future yield.

**7. PERFORMANCE OF THE BASKET OF EQUITIES, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE BASKET OF EQUITIES**

Each Note of EUR 1,000 Calculation Amount will pay on a Specified Interest Payment Date an Equity Linked Contingent Coupon equal to EUR (80.00 \* n), where the Barrier Condition has been satisfied in the relevant Observation Period;

otherwise, EUR 00.00

where “n” means

- 1, in respect of the Specified Interest Payment Date scheduled to fall on June 30th, 2014;
- 2, in respect of the Specified Interest Payment Date scheduled to fall on June 30th, 2015;
- 3, in respect of the Specified Interest Payment Date scheduled to fall on June 30th, 2016;
- 4, in respect of the Specified Interest Payment Date scheduled to fall on June 30th, 2017.

For the avoidance of any doubt, where the Barrier Condition has not been satisfied in an Observation Period, the Equity Linked Contingent Coupon payable on the Specified Interest Payment Date relating to such Observation Period shall be zero.

The table below summarises coupon payment and maturity date scenarios under the Notes depending whether or not the Barrier Condition is satisfied and when the Barrier Condition is satisfied:

	Interest Payment Dates	Barrier Condition				never satisfied
		satisfied on First Observation Period	satisfied on Second Observation Period	satisfied on Third Observation Period	satisfied on Fourth Observation Period	
Equity Linked Contingent Coupon	30/06/2014	8% (maturity date 30.06.2014)	0%	0%	0%	0%
	30/06/2015	-	16% (maturity date 30.06.2015)	0%	0%	0%
	30/06/2016	-	-	24% (maturity date 30.06.2016)	0%	0%
	30/06/2017	-	-	-	32% (maturity date 30.06.2017)	0% (maturity date 30.06.2017)

Noteholders and prospective investors in the Notes should be aware and carefully consider that:

- should the Barrier Condition be not satisfied in any Observation Period, the Equity Linked Contingent Coupon payable on the Specified Interest Payment Dates shall be zero, i.e. no Equity Linked Contingent Coupon will be payable over the life of the Notes;
- each Equity Linked Contingent Coupon is dependant upon the Barrier Condition being satisfied, i.e. ALL the Underlying Equities comprised in the Basket of Equities being higher than or equal to Barrier Price on an Observation Date comprised in any Observation Period ending prior to such Specified Interest Payment Date;
- The Maturity Date of the Notes will be 30 June 2017, unless the Barrier Condition has been satisfied in respect of any prior Specified Interest Payment Date, in which event the Maturity Date will be:
  - 30 June 2014, where the Barrier Condition has been satisfied in respect of the Specified Interest Payment Date scheduled to fall on 30 June 2014
  - 30 June 2015, where the Barrier Condition has been satisfied in respect of the Specified Interest Payment Date scheduled to fall on 30 June 2015
  - 30 June 2016, where the Barrier Condition has been satisfied in respect of the Specified Interest Payment Date scheduled to fall on 30 June 2016
- The Specified Interest Payment Dates are:
  - 30 June 2014;
  - 30 June 2015 (subject to the Notes having not been prior redeemed upon occurrence of a Barrier Condition);

- 30 June 2016 (subject to the Notes having not been prior redeemed upon occurrence of a Barrier Condition);
- 30 June 2017 (subject to the Notes having not been prior redeemed upon occurrence of a Barrier Condition);
- upon occurrence of certain disruption events, the Issuer, acting in its capacity as Calculation Agent, will be entitled to take certain action determination or judgement acting in its sole discretion. All such action, determination or judgements may influence the amounts receivable under the Notes

**AN INVESTMENT IN THE NOTES ENTAILS SIGNIFICANT RISK NOT ASSOCIATED WITH INVESTMENTS IN CONVENTIONAL DEBT SECURITIES AND NOTES ARE COMPLEX FINANCIAL INSTRUMENTS WHICH ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS.**

In respect of the Underlying Equities, certain historical information in respect of each Underlying Equity (including past performance thereof) are available at the web site of the relevant Equity Issuers.

The Issuer does not intend to provide any post-issuance information in relation to the Underlying Equities and performance thereof or the relevant Equity Issuers.

**8. OPERATIONAL INFORMATION**

- |       |  |                          |
|-------|--|--------------------------|
| (i)   | ISIN Code:   | XS0631820957             |
| (ii)  | Common Code:   | 063182095                |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | Not Applicable           |
| (iv)  | Delivery:  | Delivery against payment |
| (v)   | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable           |
| (vi)  | Intended to be held in a manner which would allow Eurosystem eligibility:  | Yes                      |

Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

**9. TERMS AND CONDITIONS OF THE OFFER**

Offer Price:	Issue Price, i.e. 100 per cent. of the Specified Denomination.
--------------	--

Investors should take into consideration that the Offer Price embeds the placing commission



payable by the Issuer to the Manager as described in paragraph 44 of Part A above.

Investors should take into consideration that if the Notes are sold in the secondary market after the Offer Period, the above mentioned commissions included in the Offer Price are not taken into consideration in determining the price at which such Notes may be sold in the secondary market.

Conditions to which the offer is subject: Offer of the Notes is conditional on their issue only

The time period, including any possible amendments, during which the offer will be open and description of the application process: During the Offer Period, prospective investors may subscribe the Notes during normal Italian banking hours at the offices (*filiali*) of the Manager by filling in, duly executing (also by appropriate attorneys) and delivering a specific acceptance form (the Acceptance Form) (*Scheda di Adesione*).

The Acceptance Form is available at each Manager's office.

Subscription of the Notes may also be made by means of financial promoters (*promotori finanziari*).

Subscription of the Notes may not be made by means of distance or on line communications techniques.

There is no limit to the subscription application which may be filled in and delivered by the same prospective investor with the Manager.

Save as stated below in respect of subscription by means of financial promoters (*promotori finanziari*), the subscription of the Notes is irrevocable, save as otherwise provided by law, and may not be subject to conditions.

In respect of subscription of the Notes made by means of financial promoters (*promotori finanziari*), subscription will be effective only after seven days following completion of the subscription form; by this deadline investor is fully entitled, at no cost and fees, to revoke its subscription by notice to the Manager and/or financial promoter.

Details of the minimum and/or maximum amount of application: The Notes may be subscribed in a minimum lot of no. 1 Note (the "**Minimum Lot**") for a nominal amount of EUR 1,000 or an integral number of Notes.

There is no maximum amount of application within

the maximum Aggregate Nominal Amount of EUR 100,000,000.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:

Not Applicable

Details of the method and time limits for paying up and delivering the Notes:

The total consideration for the Notes subscribed must be paid by the investor on the Issue Date to the Manager's office which has received the relevant subscription form.

The Notes will be delivered on the Issue Date, subsequent to the payment of the Offer Price, to potential Noteholders in the deposit accounts held, directly or indirectly, by the Manager at Euroclear and/or Clearstream.

Manner in and date on which results of the offer are to be made public:

Not later than 5 days on which the TARGET2 System is open following the closing of the Offer Period (as amended in the event of early closure of the offer), the Issuer will notify the public of the results of the offer through a notice published on the website of either the Issuer and the Manager.

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:

Not Applicable

Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:

The Notes will be offered only to the public in Italy.

Qualified investors, as defined in Article 2 (i) (e) of the Prospectus Directive 2003/71/EC, are allowed to subscribe the Notes.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:

The Manager shall notify applicants with amounts allotted.

Without prejudice of paragraph 46 of Part A above, subscription applications will be satisfied until reaching the maximum Aggregate Nominal Amount of EUR 100,000,000; thereafter Manager will immediately suspend receipt of further subscription applications and the Offer Period will be closed early accordingly to the procedure described in paragraph 46 of Part A above.

Upon the close of the Offer Period, in the event that, notwithstanding the above, the aggregate amount of Notes requested to be subscribed exceed the Aggregate Nominal Amount of EUR 100,000,000, the Issuer will allot the Notes in accordance with allotment criteria so to assure transparency of

allotment criteria and equal treatment amongst all potential subscribers thereof.

Dealings in the Notes may not commence before the Issue Date

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: No expenses and duties will be charged by the Issuer to the subscribers of the Notes.

Investors should take into consideration that the Offer Price embeds certain commissions as described under "Offer Price" above.

## **Annex 1**

*(This Annex 1 forms part of the Final Terms to which it is attached)*

### **DEFINITIONS**

For the purpose of these Final Terms, the following terms shall have the following meaning.

**Averaging Date** means:

- (i) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2014, each of the five consecutive Scheduled Trading Days from, and including, 16 June 2014;
  - (ii) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2015, each of the five consecutive Scheduled Trading Days from, and including, 16 June 2015;
  - (iii) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2016, each of the five consecutive Scheduled Trading Days from, and including, 14 June 2016;
  - (iv) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2017, each of the five consecutive Scheduled Trading Days from, and including, 14 June 2017;
- or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, unless such day is a Disrupted Day, provided that where an Averaging Date would, but for this provision, fall after the relevant Sunset Date, such Averaging Date will fall on the Sunset Date and provisions stated below will apply.

If an Averaging Date is a Disrupted Day then the Averaging Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date, and the Averaging Date for each Underlying Equity affected by the occurrence of a Disrupted Day (each an **Affected Underlying Equity**) shall be the first succeeding Valid Date relating to the Affected Underlying Equity (or, if earlier, the relevant Sunset Date for such Averaging Date). If the first succeeding Valid Date in respect of such Affected Underlying Equity has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date (or, if earlier, as of the Valuation Time on the relevant Sunset Date), then (i) that eighth Scheduled Trading Day (or, if earlier, the relevant Sunset Date) shall be deemed to be the relevant Averaging Date for the Affected Underlying Equity (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) and (ii) the Calculation Agent shall determine its good faith estimate of the value for the relevant Underlying Equity as of the Valuation Time on that eighth Scheduled Trading Day or, if earlier, on the relevant Sunset Date.

**Barrier Price** means, in respect of each Underlying Equity, a price equal to 90 per cent. of the Initial Price thereof.

**Clearance System** means, in respect of an Underlying Equity, the principal domestic clearance system customarily used for settling trades in the relevant Underlying Equity as determined by the Calculation Agent.

**Clearance System Business Day** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for acceptance and execution of settlement instructions.

**Demerger** means, in respect of an Underlying Equity, the demerger (whatsoever denominated) of the relevant Equity Issuer.

**Disrupted Day** means any Scheduled Trading Day on which (i) any relevant Exchange or any relevant Related Exchange fails to open for trading during its regular trading session or (ii) on which a Market Disruption Event has occurred.

**Early Closure** means the closure on any Exchange Business Day of the relevant Exchange 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 or (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

- in respect of common shares in ENI S.p.A., the Borsa Italiana S.p.A. – MTA Market, or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in any such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange);
- in respect of common shares in FRANCE TELECOM S.A., NYSE Euronext Paris, or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in any such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange);
- in respect of common shares in DAIMLER AG, XETRA or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in any such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange);
- in respect of common shares in NOKIA, the NASDAQ OMX Nordic Helsinki Exchange or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in any such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange); and
- in respect of common shares in TELEFONICA, the Bolsa de Madrid or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in any such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means any Scheduled Trading Day on which the relevant Exchanges and the relevant Related Exchanges are open for trading during their respective regular trading session notwithstanding any such Exchange or 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 Underlying Equities on the Exchange, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to such Underlying Equities on any relevant Related Exchange.

**Final Price** means, in respect of an Underlying Equity and an Observation Period and the relevant Valuation Date, the arithmetic mean of the Relevant Prices per such Underlying Equity on the Averaging Dates relating to such Observation Period as determined by the Calculation Agent.

**Initial Price** means, in respect of an Underlying Equity and an Observation Period and the relevant Valuation Date, the Relevant Price per such Underlying Equity on the Initial Valuation Date as determined by the Calculation Agent.

**Initial Valuation Date** means June 30, 2011 or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, unless such day is a Disrupted Day. If such day is a Disrupted Day then the Initial Valuation Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Initial Valuation Date, and the Initial Valuation Date for each Underlying Equity affected by the occurrence of a Disrupted Day (each an **Affected Underlying Equity**) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Underlying Equity, unless each of the eight Scheduled Trading Days immediately following the Scheduled Initial Valuation Date is a Disrupted Day relating to the Affected Underlying Equity. In that case (i) that eighth Scheduled Trading Day shall be deemed to be the Initial Valuation Date for the Affected Underlying Equity, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine its good faith estimate of the value for the relevant Underlying Equity as of the Valuation Time on that eighth Scheduled Trading Day.

**Market Disruption Event** means, in respect of an Underlying Equity, the occurrence or existence of (i) a Trading Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, (ii) an Exchange Disruption, which 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.

**Observation Period** means:

- (i) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2014, the period comprised of the five Averaging Dates related to such Specified Interest Payment Date;
- (ii) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2015, the period comprised of the five Averaging Dates related to such Specified Interest Payment Date;
- (iii) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2016, the period comprised of the five Averaging Dates related to such Specified Interest Payment Date; and
- (iv) in respect of the Specified Interest Payment Date scheduled to fall on June 30<sup>th</sup> 2017, the period comprised of the five Averaging Dates related to such Specified Interest Payment Date.

**Related Exchange** means:

- in respect of common shares in ENI S.p.A., the Borsa Italiana S.p.A. – The Italian Derivatives Markets (IDEM), or 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 Underlying Equity 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 Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange);
- in respect of common shares in FRANCE TELECOM S.A., the NYSE Euronext Paris, or 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 Underlying Equity 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 Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange);
- in respect of common shares in DAIMLER AG, the EUREX, or 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 Underlying Equity 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 Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange);

- in respect of common shares in NOKIA, the EUREX, or 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 Underlying Equity 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 Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange); and
- in respect of common shares in TELEFONICA SA, the MEFF, or 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 Underlying Equity 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 Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange);

**Relevant Price** means, in respect of an Underlying Equity and the Initial Valuation Date or an Averaging Date:

- in respect of common shares in ENI S.p.A., the “prezzo di riferimento” for any such Underlying Equity quoted by the relevant Exchange at the Valuation Time on the relevant Averaging Date or Initial Valuation Date, as the case may be, as determined by the Calculation Agent;
- in respect of each of the other Underlying Equities, the official closing price per Underlying Equity quoted by the relevant Exchange at the Valuation Time on the relevant Averaging Date or Initial Valuation Date, as the case may be, as determined by the Calculation Agent.

**Scheduled Averaging Date** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

**Scheduled Closing Time** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

**Scheduled Initial Valuation Date** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been the Initial Valuation Date.

**Scheduled Trading Day** means any day on which all the Exchanges and all the Related Exchanges relating to all the Underlying Equities are scheduled to be open for trading for their respective regular trading session.

**Scheduled Valuation Date** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

**Settlement Cycle** means, in respect of an Underlying Equity, the period of Clearance System Business Days following a trade in such Underlying Equity on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

**Settlement Disruption Event** means, in respect of an Underlying Equity, an event beyond the control of anyone as a result of which the relevant Clearance System cannot clear the transfer of such Underlying Equity.

**Sunset Date** means:

- (i) in respect of the first Observation Period and the first Valuation Date: 26 June 2014;
- (ii) in respect of the second Observation Period and the second Valuation Date: 26 June 2015;
- (iii) in respect of the third Observation Period and the third Valuation Date: 28 June 2016; and
- (iv) in respect of the fourth Observation Date and the fourth Valuation Date: 28 June 2017

For the avoidance of doubt, these dates shall not be subject to adjustment.

**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 Related Exchange or otherwise: (i) relating to the Underlying Equity on the Exchange; or (ii) in futures or options contracts relating to the Underlying Equity on any relevant Related Exchange.

**Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Observation Period does not or is not deemed to occur.

**Valuation Date** means, in respect of an Observation Period, the last Averaging Date in such Observation Period.

**Valuation Time** means, in respect of an Underlying Equity, the Scheduled Closing Time of the relevant Exchange.



## Annex 2

*(This Annex 2 forms part of the Final Terms to which it is attached)*

### **ADJUSTMENTS TO THE FORMULA FOLLOWING MERGER EVENT, TENDER OFFER, NATIONALISATION, INSOLVENCY, DE-LISTING, DEMERGER**

If a Merger Event, Tender Offer, Nationalisation, Insolvency, De-Listing or Demerger occur:

(A) in case of a Merger Event, and where the consideration for the relevant Underlying Equity consists (or, at the option of the holder of such Underlying Equity, will consist) solely of New Shares, the New Shares and the issuer thereof will be deemed to be the relevant Underlying Equity and the relevant Equity Issuer, and the Calculation Agent, if necessary, will adjust any relevant terms of the Notes provided however that: (i) no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the relevant Underlying Equity and (ii) in case of Merger Event between two or more Underlying Equities, the substitution provisions detailed below shall apply in respect of the Underlying Equity/ies subject to that Merger Event except for one Underlying Equity determined by the Issuer

(B) in case of a Demerger, such that there is one or more resulting Underlying Equities, only one such Underlying Equity shall be represented in the Basket of Equities (as selected by the Calculation Agent following the declaration by the Issuer of the terms of such Demerger Event).

(C) in case of Tender Offer, Nationalisation, Insolvency, De-Listing or (where (A) above does not apply) Merger, the Underlying Equity subject to the Tender Offer, Nationalisation, Insolvency, De-Listing or Merger (the “**Affected Underlying Equity**”) shall be substituted by the Substitute Underlying Equity, whereupon the Substitute Underlying Equity shall be deemed to be an Underlying Equity and its issuer an Equity Issuer and the Calculation Agent shall make such adjustments to the terms of the Notes that it determines are necessary in order to preserve the economic value of the Notes. Such adjustments may include (but are not limited to) adjusting the Relevant Price on the Initial Valuation Date of the Substitute Underlying Equity to reflect the performance of the Affected Underlying Equity from the Initial Valuation Date to the Event Date, in accordance with the following:

$$\text{Share}_{i0} = \text{Substitute Price} \times \frac{\text{Affected Share}_{\text{initial}}}{\text{Affected Share}_{\text{final}}}$$

where,

“Share<sub>i0</sub>” means the adjusted Relevant Price on the Initial Valuation Date of the Substitute Underlying Equity;

“Substitute Price” means the Relevant Price of the Substitute Underlying Equity on the Event Date, as determined by the Calculation Agent;

“Affected Share<sub>initial</sub>” means the original Relevant Price on the Initial Valuation Date of the Affected Underlying Equity;

“Affected Share<sub>final</sub>” means the Relevant Price of the Affected Underlying Equity on the Event Date, as determined by the Calculation Agent;

“Event Date” means the date on which the substitution is effected.

In case there is more than one Affected Underlying Equity in respect of a Merger Event, the Calculation Agent shall select one of the Affected Underlying Equities in order to determine the Affected Share<sub>initial</sub> and Affected Share<sub>final</sub>.

“Substitute Underlying Equity”: means a share determined by the Calculation Agent which complies to the extent possible with the following two conditions:

1. the new share is listed, traded or publicly quoted on a primary exchange or quotation system located in the same currency zone as the exchange or quotation system on which the Underlying Equity to be substituted is listed, traded or publicly quoted; and
2. the issuer of which has substantially the same activity as the Equity Issuer of the Underlying Equity to be substituted.

If more than one share complies with these conditions, the Calculation Agent will select that share which was, immediately before the occurrence of the event leading to the substitution, most similar with the Underlying Equity to be substituted in regard of the following criteria:

1. the credit rating of the new Equity Issuer; and
2. the implied volatility and liquidity of the new Underlying Equity.

**Merger Event, Tender Offer, Nationalisation, Insolvency, De-Listing** have the meaning ascribed to such terms in Annex 2 to the Terms and Conditions “Definitions applicable to Equity Linked Redemption Notes”.

**New Shares** means ordinary or common shares, whether of the entity or person (other than the Issuer) involved in the Merger Event or the making of the Tender Offer or a third party, that are, or that are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**Demerger** means, in respect of any Underlying Equity, that the relevant Equity Issuer is affected by a demerger, including, without limitation, a spin-off, scissione or any other operation of a similar nature.